Daily Report

East Europe

FBIS-EEU-88-237
Friday
9 December 1988

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Pact Experts Discuss Budgetary Cuts in Bucharest

AU0712185988 Bucharest AGERPRES in English 1834 GMT 7 Dec 88

["Meeting of the Group of Experts of the Warsaw Treaty"—AGERPRES headline]

[Text] Bucharest AGERPRES, 7/12/1988—On December 6-7 1988, Bucharest was the venue of a meeting of the group of experts of the Warsaw Treaty regarding the questions of reducing military spendings.

Opinions were exchanged on some aspects of this question.

CEMA Approach to Joint Ventures Criticized

AU0612101888 Bratislava PRAVDA in Slovak 1 Dec 88 p 6

[Article by NOVOSTI's Aleksandr Drabkin: "On Direct Relations and Integration; Ways, or Arguments?"]

[Excerpt] It is said that when someone wants to work he looks for ways to find work, and someone who does not, looks for arguments for not having to work.

This is what comes to mind when considering the development of direct relations among enterprises of the CEMA member states. When we acquaint ourselves with documents from international sessions or publications of prominent scientists, it seems that there are excellent prospects for everything: direct international relations will make it easier to find a more flexible solution for specific problems connected with economic cooperation, exchanging raw materials that are in short supply, means for modernizing production, and management experience. The direct international relations will stimulate partners' mutual interest and increase their mutual responsibility.

In other words, it is precisely direct relations that will help enterprises shake off many of the difficulties we all have been talking so energetically about for such a long time when assessing processes connected with the development of socialist economic integration.

In theory everything is outstanding. Unfortunately, practice is not always identical with theory. It shows that in the Soviet Union joint ventures with partners from the CEMA states are being established more slowly than with Western companies.

Why? According to experts, there are several reasons. The technical standard of production and the norms in the individual CEMA states differ.

Another problem is the convertibility of currencies and prices. For example, how is one to determine the price of a structural component or a part for a machine that will be jointly produced in the future?

And what about legal problems? On the international level, relations among the CEMA states' economic organizations are above all regulated by facultative (nonobligatory) legal norms, which are valid only after bilateral assent by both sides. The number of legal regulations of an obligatory nature for partners is not very large. And this complicates matters.

Should one keep away from direct relations? Some scientists have been doing just that: They claim that direct relations can only be extensively developed after a whole range of problems connected with them have been resolved, especially problems connected with prices, currency exchange rates, and financial problems.

At first sight, such a standpoint appears responsible enough.

But do price- and currency-related problems not exist between Soviet organizations and Western companies? Moreover, do such problems not exist within Western companies, which affiliate enterprises in different countries? Of course they do. And experience shows that they can be overcome. Because he who wants to work looks for ways to do so. [passage omitted]

Socialist Publishers Meet in Warsaw

AU0212153188 East Berlin NEUES DEUTSCHLAND in German 30 Nov 88 p 4

[Text] Warsaw (ADN)—A meeting of representatives of leading organs of publishers from socialist countries began in Warsaw on Tuesday [29 November]. Klaus Hoepcke, GDR deputy minister of culture, discussed, among other things, the cultural value of books and objectives in translating and publishing books from socialist partner countries. Delegations from the CSSR, the DPRK, Cuba, Laos, the MPR, Poland, the USSR, Hungary, and Vietnam and a representative of the CEMA Secretariat participated in the 5-day deliberations.

Media Seminar Ends 30 Nov in Sofia

AU3011192388 Sofia Domestic Service in Bulgarian 1830 GMT 30 Nov 88

[Text] The international seminar of figures from the press, radio, television, and press agencies of socialist countries ended on 30 November in Sofia. The debate focused on how the mass media reflect life in the fraternal countries and on the resolving of problems in these countries.

Comrade Emil Khristov spoke at the seminar. He dwelled on the fundamental trends of restructuring in our country, and more specifically reviewed renewal in the economic and social fields.

The participants were received by Comrade Yordan Yotov. He briefed them on the place and role of the intelligentsia in implementing the July Concept under present conditions, and its participation in restructuring the intellectual sphere.

Alia Gives Speeches in Sarande District

Speaks at Rally

AU0712121388 Tirana ZERI I POPULLIT in Albanian 29 Nov 88 pp 1-2

["From the Speech" of Ramiz Alia, AWP Central Committee first secretary, at 28 November rally in Sarande on the Independence Day: "Freedom and National Independence Open the Road to Development, Socialist Victories Consolidate Them"]

[Text] Some years have elapsed since the last time that I was here in your district. However, Sarande is one of those places which compels one to say after every visit: "An occasion must be found to return to this place." This is not only because of the beauty with which nature has unsparingly endowed it, but also because of its industrious people, resolute fighters for the cause of socialism.

It is with such a wish that I came today to Sarande to celebrate the 28 and 29 November festivities with all of you. Bringing you the warmest greetings of the AWP Central Committee, the Presidium of the People's Assembly, and the Council of Ministers, I wish you wholeheartedly a happy festival of the flag, and a happy liberation anniversary!

For all our people, the date 28 November is the epilogue of a prolonged and difficult struggle filled with heroism and sacrifices. Entire generations of Albanians, from ancient times to the beginning of this century, have shed their blood for freedom and independence, for the Albanian flag and for Albanian personalities, for Albanian soil and traditions. With a clear patriotic consciousness rooted throughout the centuries, our people survived and emerged triumphant amidst numerous battles and dangers.

The aspiration for freedom and national independence has been a major driving force for struggle and resistance throughout the glorious history of our country. Our small Albania had to clash with numerous invaders, with big states and powers, but wherever they may have come from, the foreign invaders have been unable to grow roots in this soil. They were compelled to go through the country like transients because the ground burned under their feet. However, the Albanian people remained masters of their country, they emerged triumphant always, because they placed the cause of freedom above all else at all times.

Today, on Independence Day, our respect is directed to all those patriots and fighters who devoted their entire life to the national cause. It is directed to the Frasheri brothers, Ismail Qemal, Hasan Prishtina, Hoxha Tahsin, Pashko Vasa, Luigj Gurakuqi, Cajupi, and innumerable others, fighters of the rifle and of the pen.

The date 29 November 1944 was not a simple repetition of the glorious act of those Albanian patriots, led by the Old Man of Vlore [Ismail Qemal, the man who proclaimed the independence of Albania in 1912], in 1912. It opened a new era, an era in which man would not only enjoy national freedom, but would also be liberated from all oppression and exploitation in general.

The victory of 29 November achieved what had not been achieved in any of the previous battles: It gave the people their state authority; it made the masses of ordinary people masters of their own country. It was the first time in history that the people had won. This happened because the Albanian communist party was the general staff that led the revolution, our AWP, the direct reflection of the dearest aspirations of the masses. This happened because the party and the people were led by a great revolutionary, a loyal son, our beloved commander, Enver Hoxha.

The dates 28 and 29 November represent two highlights in our national history. They represent the fundamental conclusion of two of the most magnificent epics experienced by our people: the national movement that erupted with the Renaissance, and the National Liberation War. History decreed that these two dates were to be celebrated together, like two immortal monuments of Albanian heroism and resistance. We remember and particularly honor the great deed of our comrades who fell in the war, the deed of 28,000 martyrs. Glory to their heroism!

Dear comrades,

Freedom and independence, these great historic victories of our people, are not a gift left as a legacy by generations once and for all time. They must be strengthened and developed. They must be defended. This is the duty of all generations.

Freedom and independence are a fundamental prerequisite for the rapid development of the economy and culture, while the socialist victories, the increased economic potential of the country on the basis of a correct policy that corresponds with the interests of the people, raise these victories to new heights and steel them.

Comrade Ramiz Alia then went on to speak about the comprehensive transformations that have taken place in the country during the era of the party. It was not easy to arrive at this point. A lot of efforts were needed, as well as sacrifices. We also had to fight against domestic and foreign enemies who sought to divert us from the correct road, to make us dependent on others.

The party consistently followed a policy of self-reliance, a policy of development without debts, which represent shackles for the people. This policy assures the country of its independent development, perhaps at a not very rapid pace, but guaranteed against all dangers.

This policy has resulted in Albania being currently the most peaceful country in the world, in that the people live securely at present and are optimistic about the future, and in that our country enjoys the sympathy and respect of the peoples.

In fact, the word of our free and independent Albania, where the people are masters in their own country, of this free Albania which speaks out courageously because it is not shackled by any alliance and is not dependent on any superpower, the word of this Albania is listened to in the international community and carries weight among the peoples, at various meetings and conferences. The peoples respect Socialist Albania and see in its example the value of socialism, the value of genuine freedom and independence. We can say without fear of contradiction that our country has become the symbol of a genuinely free and independent country, an example of social justice. It is a country that knows neither oppression, nor exploitation, nor poverty.

Comrades,

The successes and victories in the economy and in every aspect of social life have provided a new substance and have consolidated the victories of 28 and 29 November. It is our duty to further promote them.

Freedom and independence are consolidated by strengthening unity and vigilance, by constantly developing the economy and culture, by facing up to difficulties and new tasks, by continuing to carry out the investment programs even more rapidly, and by raising the quality of work and products in all directions. Freedom and independence are consolidated when the effectiveness of foreign trade is raised, when every activity—not only at the national level but at the district and enterprise level as well—is subjected to the principle of self-reliance.

This has not been a good year. On the contrary, particularly for agriculture, it has been a very bad one. Seldom has the drought been so prolonged and the temperatures as high as last summer. Consequently, with the exception of the wheat harvest, tasks were not fulfilled with regard to almost all other crops. The country suffered great deficits, which have burdened the economy in two directions: in that we did not achieve the planned production and income levels; and in that we had to find new sources to guarantee, through imports, the supplies that we failed to produce ourselves.

Under these conditions the cadres and communists must manifest their revolutionary militancy more than ever by explaining matters to the masses, so that everyone can properly understand the situation and difficulties, and so that they may respond with comprehensive mobilization in fulfilling the tasks, with conscious discipline at work, with redoubled efforts to effect savings, and with creative initiative.

All sectors and all districts must organize things as well as possible so that by the end of this year, and next year as well, we will have done all that is in our power, all that depends on our material and human possibilities, to fulfill and overfulfill the tasks confronting us.

Our economy functions like one single body. Administrative and departmental divisions serve to lighten this function. Therefore, being conscious that our strength, and thus the strength of our economy, lies in our unity; let us make certain that all sectors function together in total unity. The central departments are confronted with great tasks in this respect, but the districts also have a particular role to play.

We can no longer talk about "large districts" and "small districts," but we can talk about districts that are acting with initiative and districts that expect everything to be done for them. There is no district in our country that does not carry a major burden, even on the national scale, with regard to some activity. Under the conditions of the intensification of work, both above and below ground, territorial size has less and less influence as far as the economic role of a district or enterprise is concerned.

Sarande is a small district, but its economic contribution is not small. As for certain economic activities, like in the production of wheat, fruit growing, fishery, and so forth, it is and must be one of the most important districts in the country.

Sarande is the major producer of citrus fruits in the country. It has reached this position during the years of socialism. The plantations of Lukove and Ksamil are not only important economic centers, but also living monuments of the culture of our society. The massive citrus and olive plantations built in these regions by our youth constitute an investment of great value. Most production factors in these plantations, like irrigation, soil improvement, climatic conditions, and most services are at a high level. But through joint efforts, through the efforts of the people working in this sector in Sarande District and those of society as a whole, other factors must also be raised to a higher level, like fertilization and internal transportation. This would add to the value of the investments effected so far.

The party has directed that relations between industry and agriculture should become increasingly more intertwined. More industrial activities should be carried out in the villages, as was stated at the Sixth Congress of Agricultural Cooperatives. It must become a rule that investments for semi-processing should be effected as close as possible to the source of the raw materials. The investments made for the processing of fruit in particular must be subjected to this criterion. Our engineering industry is capable of immediately producing the equipment necessary to process citrus, apples, olives, grapes, plums, and other fruits where they are produced. Thus,

Lukove and Ksamil in Sarande District, and other massive plantations in other districts, would assume the character of complex enterprises where agricultural and industrial activities are intertwined.

In the fishery sector, too, Sarande should claim prime place. You have all kinds of waters in the sea, lakes, and reservoirs. These offer the most favorable conditions for fishing. Your district can and must provide the people and the export sector with an increasingly wider range of sea products, producing and preserving more fish and more mussels.

I am convinced that you will turn these prospects into early reality and will thus use them to consolidate present attainments, strengthen the country's economy, and raise the well-being of the people.

Comrades,

Next year, precisely on 29 November, we will celebrate the 45th anniversary of the country's liberation. It has become customary to proclaim such years as jubilee years. Naturally, 1989 will be such a year. But it is the high results at work, in the economy, in culture, in the health sector, and in the country's defense that will mark the jubilee. The party is fully convinced that our workers class, our cooperativist peasantry, the intelligentsia, all our people, will achieve victory after victory and will thus go proudly to the 45th anniversary of our freedom.

Long live the people of Sarande!
Long live the party!

Urges Higher Yields

AU0612181388 Tirana ZERI I POPULLIT in Albanian 1 Dec 88 pp 1-2

["From the Speech" by Ramiz Alia, AWP Central Committee first secretary, delivered on 30 November at a meeting of cadres in Sarande District: "Economic Achievements Must Be Raised to the Level of the Political and Cultural Standard of Our People"]

[Text] We spent these November festivities joyfully and warmly with the progressive and industrious people of the city and of the whole district of Sarande. One feels and notices everywhere, at every step, at every meeting, and in every discussion, the affection of the people for our AWP and their joy in the socialist way of life. The joys of the people increase because the country is progressing, its economy is progressing, because the well-being of the people is increasing, and because the unity of the people around the party is being steeled.

Your progress in the economy, education, culture, and in the material and spiritual life of the people is obvious. This entire area, particularly with its coast and its fruit-growing, is known throughout the country. The industry and creative minds of the people have increased its natural beauty and made the soil more fertile.

Our working people are devoted to the cause of socialism and are resolute in defending the country, they are industrious, and they possess sharp political acumen. These lofty qualities, Comrade Ramiz Alia went on to say, must be further tempered in our daily efforts to fulfill and overfulfill our plans. The interests of society and of the working people themselves require that economic achievements correspond everywhere to the level of their political and cultural standards.

The incessant development of productive forces creates new reserves. The entire operational force of the party organizations and their levers must be present in the efforts to activate these reserves and in the struggle to overcome difficulties that may arise; the initiative of the working people must be stimulated in all these matters, and the value of their political education and cultural standard must make itself felt.

After stressing the absolute necessity of increasing the mobilization and the efforts of the working people to attain the best possible results at the close of the current year, Comrade Ramiz Alia pointed out that the 1989 plan will not be an easy one. On the contrary, more efforts will be required, more creativity and discipline, and greater energies to achieve greater productivity and to effect savings in expenditure.

Savings of raw materials and fuels must be at the center of attention everywhere. About 150 million leks' worth of materials are utilized annually in the industrial activity of your district. There is room for savings as well as a more rational utilization of material values in construction, transportation, and agricultural engineering, but also in the nonproductive sphere, in administration and various institutions, which use considerable investment funds. Strict control must be applied, particularly in the rational utilization of the fodder reserves in the livestock sector, in order to cope with unexpected weather conditions and to prevent damage to livestock.

The mobilization of the workers class, cooperative members, and specialists is meaningful when plans are fulfilled. Experience shows that tasks can be fulfilled even under the most difficult conditions, with good organization and efforts. As was shown at the Sixth Congress of Agricultural Cooperatives, even in difficult situations, those who are in the vanguard remain standard-bearers in the fulfillment of plans and provide an example in the rational organization of work and in life.

As a jubilee year marking the 45th anniversary of the country's liberation and of the triumph of the people's revolution, Comrade Ramiz Alia went on to say, 1989 must be a year of distinction for the fulfillment of plans. The state and economic organs and all working collectives must adopt all the necessary material and organizational measures to make certain that a good beginning

is made in January, and that plans are fulfilled systematically every day and every week. The rhythmic fulfillment of plans must be the main criterion in assessing the work of cadres, specialists, and all the working people.

Plans are fulfilled and prospects become clearer when unused possibilities and new reserves are found in the process of development.

A powerful impetus can be given to agricultural production in your district. Its volume has remained at around the 310-320-million-lek mark for some years now at a time when the needs of the population are growing continuously. This situation must change next year. Your district still has to create stability in wheat production, and the yields are too low, not only in the hilly and mountainous regions, but also in the plains. Although your district is not overburdened with the production of industrial crops, sunflower and tobacco yields are minimal. The climatic and soil conditions are not being properly utilized to ensure a wide range of abundant early products. It is unacceptable for your district to produce lower yields of field crops than, for example, Berat, Elbasan, and other districts, or to be at the same level as Gjirokaster District.

Under the conditions when about 75 percent of the land will be irrigated with the completion of current investment projects, it is necessary to increase efforts in two directions: to consolidate the stability of agricultural production and to raise yields with regard to all the crops. When we talk about irrigation capacity, the planning organs must take care to calculate the value of investments precisely. Since about one-third of the water is lost because of defective irrigation canals, this is where investments must be directed. To irrigate one hectare of land through the improvement of secondary and tertiary canals is approximately half as expensive as building new reservoirs.

The use of water for irrigation will require more organic fertilizer. If there are cases in which we proceed from the need for fertilizers when considering the livestock sector, Sarande District in particular must proceed from this criterion. You know that you are at the bottom of the list, with only 21 cows per 100 hectares of arable land. This is your most considerable reserve in raising livestock production, particularly in the plains. During the past 2 years alone, a deficit of 800 head has been created with regard to the number of cows in your district. The number of cattle will be increased by improving the structure of the herds and by more extensive use of natural pastures, because it has been observed that they remain too long in barns, when the natural and climatic conditions in your district make it possible for the herds to remain in the open for longer periods. Another reserve that has not been exhausted in your district lies in the sowing of secondary crops, as well as in increasing the acreage of fruit growing wherever irrigation is possible.

It is a pleasure to note that the number of sheep and goats has risen considerably in Sarande District, and also that you occupy a place of honor among other districts in regard to the number of head per acreage and the yields that you obtain. But there must be no complacency.

The shepherds and specialists of Sarande District are masters of their trade and will find ways of making better use of pastures and of the other possibilities that exist in your district, but the state organs must also take care to better organize the movement of livestock to other districts during the summer months. The initiative to keep sheep and goats in all the small herds at brigade-level must also be accelerated without losing time.

Sarande District, Comrade Ramiz Alia went on to say, occupies first place in the republic for the production of fruit per hectare, and second place with regard to per-capita production. But it also occupies first place with regard to suitable climatic and soil conditions, particularly for citrus and olives. But this opportunity must be utilized more broadly and more quickly. Resolute and scientific efforts are needed to eliminate so-called unproductive years with regard to olives.

This year's olive production plan will not be fulfilled by Sarande District. This is not only because the drought damaged the crop, but also because your district lagged behind in the spring cultivation of olive groves, because the irrigation network construction plan was not fulfilled, and so forth. The national action for olives will have full effect when all the services required by this crop are completed in a timely manner and systematically. This is particularly important in the coastal areas, where manifestations of traditionalism must be opposed, as well as the idea that one may derive an income from the olive groves without too much work and expenditure. At a time when we have to reallocate to the olive groves a part of the quantity of fertilizers originally intended for the sunflower fields, it would be unforgivable to neglect the cultivation of the olive groves, with negative effects on the economy.

The production of citrus has tripled nationwide during the past 20 years, while the production of fruit and grapes has remained the same. But it is possible to do even more, because the number of citrus trees has remained around the 1 million mark for some years now. Citrus groves have a stable and more certain production than other fruits, and the consumption lasts over a longer period throughout the country; therefore the production of citrus fruit must be increased by intensifying services and through the renewal of plantations.

Meanwhile, here in Sarande, as well as in other districts, efforts must be made to increase the production of fruit-bearing citrus trees, compared with the overall number. Trees that are still growing constitute about 35-45 percent of all trees. Underrating the importance of

work in this direction reduces the effectiveness of investments and hinders the increased production of fruit, citrus, olives, and grapes. This represents a broad field of work for all agricultural units, as well as to the specialist research institutes.

Sarande District has great prospects for the development of agriculture and livestock, but it also has industrial prospects. This is also indicated by the fact that 10 enterprises and sectors are engaged in industrial production as well as by the fact that during the eighties alone, industrial production increased by one-third. The specialists and innovators, but also the central organs and research institutes, must intensify their efforts with regard to the food industry, on the basis of local sea, agricultural, and livestock products, as well as medicinal and oil-bearing herbs. Such complete or partial industrial activity can also be undertaken by agricultural enterprises and cooperatives, particularly in the more remote areas, where production is more developed. More persistence is needed to increase handicraft activities for the domestic market, as well as for export.

Links with the foreign trade organs must be intensified, but the opportunities offered by border trade must also be used extensively. This requires agility and business acumen; therefore, people must be found who possess a talent in this direction, in order to increase profitable exchanges.

The industrial prospects of Sarande District have also opened up in the extraction and processing industry. The salt mine is being expanded, although more study is required concerning the introduction of modern technologies to free the transportation sector from the excessive quantity of argil that is also extracted.

There has been and is a not inconsiderable expenditure in your district for oil and gas, although whether results of industrial importance can be attained—which would thus consolidate the country's prospects as a whole—depends on the ability of the specialists and workers. The marble deposits that have been uncovered near Sarande are also of considerable interest. These must be exploited economically as soon as possible, but on the basis of correct criteria, in order not to spoil the natural beauty of the area.

Demographic processes must be borne in mind throughout the entire process of the development of the economy and culture, at present and in the future. As Comrade Enver Hoxha teaches us, these processes are related to the economy and social life, and in many respects determine the limits of their development.

This delicate and sensitive field requires increased care on the part of the party and state organs. Studies show that the rate of the population's growth in Sarande District, both in the cities and in the villages, is among the lowest in the country. A limitation in the number of working contingents is one consequence of this trend, particularly in regard to the needs of olive and citrus groves. An unfavorable trend is also represented by the absolute reduction in the population and labor force in the mountainous cooperatives, which prevents the development of production forces in those areas.

In this context, Comrade Ramiz Alia pointed out, the process of the physical movement of the population for the needs of employment in the state sector must be kept well under consideration. This requires care in creating new jobs, but the most important thing is to consolidate the common economy in the mountain cooperatives and to increase vital services in the remote areas.

A dynamic and harmonious economic and social development constitutes a fundamental factor for a directed trend in demographic processes. This is of value for all rural areas, but even more so for the remote mountainous and hilly areas, whose climatic and soil conditions are difficult.

Sarande, both in the cities and in the countryside, is known to have young people that love education and is known for their massive participation in secondary education. But our young people must understand that production needs people with a stable education and broad knowledge, and that only as many people required as cadres by the economy will be sent on to higher education. Those who complete their secondary education will increasingly go directly into production.

In our country the prospects for young people are open everywhere. Production is a matter of well-being, but it is also a school. The working man who gains qualifications and authority in production, who is educated and a master of his trade, is always respected, useful to society and to himself, an innovator, and a social activist. The party must therefore work with parents and with young people to instill a love for work and pride in a profession, and respect for workers and cooperativists. In our social order, physical and intellectual work are carried out in complete harmony.

The communists and cadres cannot cope with the development tasks without the masses. They must liberate the energies of the people, they must enable the working people to participate directly in resolving the problems with which the party and the state are confronted. Our democracy means sharing the benefits, but it also means sharing worries with the people. People everywhere must be given the opportunity to express their creative talent. Communists and cadres must always measure themselves in creativity. Initiative is not inspired at meetings, but by working side by side with the masses, and in lively contact with the working people.

In conclusion, Comrade Ramiz Alia expressed his belief that the party organization and the people of Sarande District will always be successful in carrying out their tasks.

Alia, Carcani Greet Lao Counterparts

AU0112200488 Tirana Domestic Service in Albanian 1900 GMT 1 Dec 88

[Text] Comrade Ramiz Alia, AWP Central Committee first secretary and chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania; and Comrade Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania, have sent the following telegram to Comrade Kaysone Phomvihan, general secretary of the Lao Revolutionary Party Central Committee and chairman of the Council of Ministers of the Lao People's Democratic Republic; and Comrade Phoumi Vongvichit, president ad interim of the Lao People's Democratic Republic:

On the occasion of the national holiday of the Lao people, in the name of the Albanian people, the AWP Central Committee, the Presidium of the People's Assembly, the Council of Ministers of the People's Socialist Republic of Albania, and personally, we convey cordial greetings and best wishes to you and the Lao people.

The Albanian people, who nurture friendly sentiments for the Lao people, sincerely rejoice for the successes attained by them in all fields of life during the 13 years of the people's authority, and wish them further successes for the country's development and progress.

We express our belief that the relations of friendship between our two peoples and countries will continually develop to their mutual benefit.

FRG Delegation Received by Bekteshi, Departs 8 Dec

AU0812201788 Tirana Domestic Service in Albanian 1900 GMT 8 Dec 88

[Text] Today Besnik Bekteshi, deputy chairman of the Council of Ministers of the People's Socialist Republic of Albania, received Dr Erich Riedl, FRG parliamentary secretary of state at the Federal Ministry of the Economy. During the meeting, which took place in a friendly atmosphere, an assessment was made of the development of relations between the People's Socialist Republic of Albania and the FRG and of the possibility for their further development in various fields of mutual interest.

The meeting was also attended by Farudin Hoxha, minister under the Presidency of the Council of Ministers, and Sokrat Plaka, deputy minister of foreign affairs. Friedrich Kroneck, ambassador extraordinary and plenipotentiary of the FRG in Tirana, was also present.

The FRG Government economic delegation left Albania today. At Rinas Airport, the delegation was bid farewell by Farudin Hoxha, minister under the Presidency of the Council of Ministers; Bujar Kolaneci, deputy chairman of the State Planning Commission; and other comrades.

Before his departure, Dr Erich Riedl, parliamentary secretary of state at the FRG Ministry of the Economy, declared that the first session of the Albanian-FRG Joint Commission for Economic, Industrial, and Technical Cooperation represents a further step on the road of the expansion and concrete development of economic cooperation between the FRG and the People's Socialist Republic of Albania. He expressed the readiness of the FRG Government to contribute in this direction, adding that the talks with the Albanian side dealt particularly with the possibility of further expanding trade between the two countries. He also stated that during the talks and meetings between them, the two sides agreed to further promote relations in various fields of mutual interest, which corresponds to the wishes of the two countries.

During its stay in Albania, the FRG Government delegation visited various industrial, economic, and cultural centers in the districts of Berat, Fier, Kruje, and Durres.

Gorbachev UN Speech Hailed by BTA's Khranov

AU0812190788 Sofia BTA in English
1835 GMT 8 Dec 88

["Platform of New Political Thinking"—BTA headline]

[Text] Sofia, December 8 (BTA political observer Nencho Khranov)—The speech of Soviet leader Mikhail Gorbachev delivered at the 43rd session of the UN General Assembly can be rightfully assessed as a complex program and a real platform of new political thinking. This remarkable speech rang all over the world as a sincere appeal for democratization, humanization and true restructuring of contemporary international relations.

A detailed analysis of the objective laws governing the world on the threshold of the 21st century was made. The analysis calls for a new philosophy of diplomacy and state-to-state relations. This philosophy requires that we should jointly seek the way leading to the supremacy of the universal human idea and to assuring the world's solidarity and the stability and dynamism of international relations.

The statesman whose name has become synonymous to a new way of addressing international affairs and to a political approach in solving intricate international problems once again laid emphasis on dialogue. The Soviet Union favours a more substantive political dialogue and strengthening of the political prerequisites needed to improve the international climate.

It logically leads to the imperative of upgrading the prestige and reinvigorating the peace-making role of the United Nations Organization, whose historic mission is to assist its members in coping with the daunting challenges of our time and working to humanize their relations. This is an essential part of the theory and practice of present-day Soviet foreign policy.

The dailies all over the world have every reason to frontpage the news about the Soviet Union's decision, announced by Mr Mikhail Gorbachev, to reduce unilaterally the numerical strength of its armed forces by 500,000 men, along with a substantial reduction of the weapons and military equipment stationed in Europe. This is a gesture which tangibly proves the Soviet Union's readiness to do everything for the improvement of the international situation and to build security on the basis of a reasonable defence sufficiency. The unilateral reductions will provide a stimulus to the future talks on conventional disarmament in Europe and will have a favourable effect on the whole complex of negotiations on arms control and international security.

Mr Mikhail Gorbachev's speech is shot through with realism and responsibility before his people and the peoples of the world. Nobody harbours any illusions that the rivalry and the contradictions between the different socioeconomic and political systems in our complicated world will come to an end. The most important thing is that the rivalry should acquire the character of a peaceful competition with due respect to freedom of choice and balance of interest. This thought of the Soviet leader's is a key to understanding contemporary international problems.

Zhivkov Receives USSR Minister Lemayev

AU0712135088 Sofia BTA in English
1258 GMT 7 Dec 88

[Text] Sofia, December 7 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, today received Mr Nikolay Lemayev, minister of the petroleum-refining and petrochemical industry of the U.S.S.R.

The sides pointed out that the restructuring underway in the two countries and more specifically the economic reforms provide favourable opportunities for the use of much more efficient forms of cooperation in many fields, the chemical industry included.

An emphasis was laid on the advantages which both countries get from the common strategy for the development of the petroleum-refining and the petrochemical industry. The recently achieved agreements upgrade to a fundamentally new level the technological, investment and marketing integration in this area.

It was indicated that the setting up of joint ventures will raise considerably the efficiency of the two-way commercial exchanges, both in respect of imports from the Soviet Union and of exports from Bulgaria. Cooperation will make further progress in such important areas as manufacturing process automation in the chemical industry and the production of consumer goods and of new types of petrochemical products.

The fulfillment of the agreements is expected to produce considerable practical results in the coming 2 years.

Zhivkov Meets With Soviet Writer Astafiyev

AU0812134688 Sofia BTA in English
1247 GMT 8 Dec 88

[Text] Sofia, December 8 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, received the Soviet writer Mr Viktor Astafiyev.

They discussed the role of writers in the restructuring under way in Bulgaria and the Soviet Union.

Zhivkov, Atanasov Condolences on Armenian Quake
AU0812194188 Sofia BTA in English
1831 GMT 8 Dec 88

[Text] Sofia, December 8 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, and Mr Georgi Atanasov, chairman of the Council of Ministers, have sent a cable of condolences to Mr Mikhail Gorbachev, secretary general of the CC of the CPSU and chairman of the Presidium of the Supreme Soviet of the USSR, and Mr Nikolay Ryzhkov, chairman of the Council of Ministers of the USSR, extending deep sympathy in connection with the disastrous earthquake in Armenia.

"Please present the most sincere condolences to the relatives and friends of those who perished both on behalf of the Bulgarian people and on our behalf. We would like to express our readiness to render assistance in overcoming the tragic consequences of the natural calamity," the cable says.

Mladenov Proposes Toast at Rome Dinner
AU0912141788 Sofia RABOTNICHESKO DELO in Bulgarian 6 Dec 88 p 5

[Report on toast by Petur Mladenov, member of the BCP Central Committee Politburo and Bulgarian minister of foreign affairs, at 5 December official dinner in Rome given in his honor by Giulio Andreotti, Italian minister of foreign affairs]

[Text] Minister Petur Mladenov expressed his cordial gratitude for the hospitality rendered to him on Italian soil and said that he interprets it as a new sign of the improving atmosphere in relations between the two countries and in the process of restoring and strengthening traditionally good relations between our two nations.

I cannot hide my satisfaction that that extremely uncharacteristic period in relations between our countries is over, the minister said, and perhaps this is an ample opportunity to express my gratitude for your personal contribution to this development. We highly value this contribution and believe that we are not the only ones who think so. Our people have a great respect for the Italian people, not only because of Italy's exceptional contribution to world civilization and culture, but also because of another, I would say "personal" reason. By this I mean the support you rendered to the Bulgarian people in their struggle for national liberation. Together with the names of Leonardo da Vinci, Michelangelo, Galileo, and other giants of human intellect, we shall always remember Giuseppe Garibaldi, Vito Positano, and other sons of Italy, who have directly expressed their solidarity with Bulgaria's suffering. I, Minister Petur Mladenov said, vividly remember our most recent meeting in September of this year. I am glad that our meetings have become a regular event and that we have the opportunity to meet in a friendly atmosphere for the third time in a relatively short period.

First of all, I would like to point out with satisfaction the numerous opportunities that are emerging for serious dialogue and cooperation in our political relations, as well as in the spheres of economic and industrial cooperation and cultural communication.

Turning to topical issues of international relations, the Bulgarian minister of foreign affairs pointed out: We live in a complex and crucial time of reevaluating obsolete values and asserting new values in communication among states and nations. We, as well as you, place peace, security, and the well-being of the nations in the foundation of these values.

The tendency for active dialogue between East and West and toward greater political realism, which has recently emerged, inspires us with hope and optimism. The dialogue's success depends on the goodwill and efforts of all states, regardless of their size or location. We value the role of Italy in European detente and in overcoming the remnants of the "cold war" period.

For its part, Minister Petur Mladenov stressed, Bulgaria is doing everything necessary to turn the Balkan peninsula in which we live into a region of good-neighborly relations and cooperation.

Stressing that our country attributes a special importance to the Vienna meeting, the minister pointed out that we expect the meeting to enrich the all-European process with specific and significant results, and to mark the beginning of a new stage in developing international relations.

We deeply believe in the contribution which the European nations can make to strengthening international security. We follow with great interest the tendency of developing economic integration in Europe. We think that the moment is ripe to find new forms of and approaches to efficient and mutually beneficial cooperation between the West European and the socialist countries. The treaty on mutual recognition between the EEC and CEMA is the first step in this direction.

Recalling that Europe is the cradle of ancient culture, powerful economic potential, and rich and different traditions, the minister stressed that the road of mutual efforts and initiatives in constructing our common European home is the only way of preserving our material and moral values and prudently utilizing our possibilities.

In conclusion, Petur Mladenov expressed his confidence that his meetings and talks on Italian soil will stimulate the further development of friendship and cooperation between our nations. He proposed a toast to Francesco Cossiga, the Italian president, to peace and security in

Europe and the world, to friendship and cooperation between the two nations and countries, to the well-being of the Italian people, and to the health of all those who attended the dinner.

PLO Representation Gains Embassy Status

AU0812134288 Sofia BTA in English
1309 GMT 8 Dec 88

[Text] Sofia, December 8 (BTA)—A protocol was signed today in accordance with which the permanent representation of the PLO in Bulgaria is raised to the status of diplomatic representation (equivalent to an embassy) of the Palestinian state.

The document was signed by Mr Ivan Ganev, deputy minister of foreign affairs, and by the leader of the PLO delegation, who are paying a 10-day visit here, Mr Abu Ja'far, director general of the Political Department of the PLO.

The guests were received by Mr Petur Mladenov, minister of foreign affairs, and had talks with Dr Kiril Ignatov, chairman of the Central Committee of the Bulgarian Red Cross and chairman of the Society for Friendship with the Palestinian People. The delegation took part in the initiatives organized within the framework of the Week for Solidarity with the Arab People of Palestine.

Iranian Deputy Minister Holds Meetings in Sofia

Received by Zhivkov

AU0612194688 Sofia Domestic Service in Bulgarian
1830 GMT 6 Dec 88

[Text] In Sofia today State Council Chairman Todor Zhivkov received Mohammad Javad Larijani, deputy minister of foreign affairs of Iran, who handed him messages from President 'Ali Khamene'i and Hashemi-Rafsanjani, chairman of the Iranian parliament.

The messages expressed good wishes for the further comprehensive development and deepening of bilateral relations, for the prosperity of the Bulgarian and Iranian peoples, and the cause of world peace and security.

The messages were accepted with thanks, and confidence was expressed that Bulgarian-Iranian relations will continue to develop in the future in the spirit of understanding and mutually beneficial cooperation.

The meeting was attended by First Deputy Foreign Minister Mariy Ivanov and the two countries' ambassadors, Mohammad 'Ali Farmanbar and Ivan Gospodinov.

Consultations End

AU0712192388 Sofia BTA in English
1833 GMT 7 Dec 88

[Text] Sofia, December 7 (BTA)—Consultations between the delegations of the Foreign Affairs Ministries of Bulgaria and Iran, led by Deputy Ministers Mr Ivan Ganev and Mr Mohammad Javad Larijani, were held in this country from December 5th till 7th. The state and prospects of development of Bulgaro-Iranian cooperation in the different spheres were considered, as well as some aspects of the international situation which were of mutual interest.

Mr Mohammad Javad Larijani was received by Mr Milko Balev, chairman of the Standing Committee on Foreign Policy at the National Assembly, and Mr Petur Mladenov, the foreign affairs minister. The Iranian delegation held talks with the minister in the Ministry of Foreign Economic Relations, Mr Khristo Khristov, and Mr Georgi Tanev, minister of transport.

Human Rights Chairman Telalov Interviewed

AU0612125788 Sofia BTA in English
1430 GMT 5 Dec 88

[Text] Sofia, December 5 (BTA)— POGLED, the weekly of the Bulgarian Journalists' Union, today carries an interview with Mr Konstantin Telalov, chairman of the Bulgarian Committee of Human Rights. He outlined the goals of the committee which is a public non-governmental independent organization.

The main line in the committee's activity is to affirm the respect for human rights and freedom, to assert man's dignity, Mr Telalov said. The committee will render assistance in the strict application of the Constitution and the laws on the basis of equality and will defend Bulgarians and foreign citizens whose rights are violated. The organization will make efforts aimed at improving human rights laws in compliance with the principles of humanism, socialist democracy and social justice. The committee will help foreign citizens persecuted abroad for their fight for human rights, against racial and other discriminations, for their participation in national liberation movements or for being champion of the struggle for peace.

Mr Konstantin Telalov noted that the Constitution and the laws here guarantee the rights of the Bulgarians. The committee will fight against any violation of human rights on the part of "bureaucrats who forgot (and keep forgetting even now) that the state power has come from and belongs to the people and nobody should forget the supreme role Constitution and law are to play".

The statute of the committee envisages the study of complaints for violation of human rights and taking steps before the competent state authorities for the settlement of such claims. Besides, the committee will actively participate in the reform which is being implemented here now by putting forward proposals to the National Assembly aimed at the improvement of human rights legislation.

The committee was offered cooperation by the Human Rights Institute in Vienna, the International Association of Journalists, the Helsinki Watch Society and other organizations.

Mr Kostantin Telalov answered a question about the new passports which will be valid for a period of 5 years and will enable Bulgarian citizens to travel freely abroad. He said the new passports bill is already made up, but it has not been discussed by the Council of Ministers and has not been presented to the National Assembly yet.

The chairman of the Human Rights Committee explained that issuing new passports involves considerable financing and a lot of work for "printing, filling-in and giving out 9 million passports". According to information received from the committee, in 1988 a lot of citizens were experimentally given 5-year passport.

Mr Telalov also said that the Committee of Human Rights insists on speeding up the procedures related to passing this and some other bills.

Regulations Established for Duty-Free Zones
AU0112150188 Sofia RABOTNICHESKO DELO in Bulgarian 29 Nov 88 p 2

[Text] The following is published in Issue 90 of DURZHAVEN VESTNIK:

—An extract from Council of Ministers' Decree No 35 of 15 November 1988 concerning adoption of codes of regulations for managing and administering the duty-free customs zones in Vidin and Ruse, and provision of funds for their construction. According to these regulations, the following activities may be carried out within the duty-free zones in Vidin and Ruse: loading, unloading, and transshipment of goods on which no duty has been paid and which have been brought in for subsequent export; warehousing and storage of imported goods on which no duty has been paid and which are intended for export; processing goods for export on which no duty has been paid (sorting, marking, packaging, prepacking, and so on); commercial activities, agency and mediation work; organizing the production of goods and provision of services to modern technical and technological standards; transportation activities, and fueling ships and other means of transportation engaged in the international freight business; banking, credit, and other financial operations; and insurance and reinsurance.

No activities may be carried out within the zone that are prohibited by Bulgarian legislation, are contrary to international law and customs, or are incompatible with Bulgarian public health requirement and environmental protection requirements, or with the recommendations of international organizations in the humanitarian and ecological fields that have been adopted by Bulgaria. The above-listed economic activities may be carried out by foreign legal or physical persons and by Bulgarian self-managing economic organizations through association with foreign legal and physical persons. Payments under contracts to Bulgarian economic organizations for the supply of goods and services within and outside the zone are to be made in convertible currency in accordance with the regulations for import and export activities. Payments arising from the activities of Bulgarian organizations under the first three headings above are to be made in freely convertible currency. The work of setting up, organizing, and managing the zone is to be carried out by the "Duty-Free Zone" Economic Enterprise in Vidin or Ruse respectively. This enterprise is to make available to its clients the necessary electricity, water, and steam services, as well as office and other materials. Administrative services and control within the zone are to be provided by the enterprise's administrative department, which is to exercise customs control and supervision, guard the zone, issue permits for entering the zone and for foreign persons to work within the zone, and carry out registration, financial and tax control, architectural and building supervision, integrated administrative services, and so on.

Changes to Collective, Individual Labor Code
AU0712182988 Sofia RABOTNICHESKO DELO in Bulgarian 6 Dec 88 p 2

[Text] The following more important acts are published in DURZHAVEN VESTNIK No 92 of 6 December 1988:

—Council of Ministers Decree No 38 of 24 November 1989 concerning amendments and addenda to the Code for Citizens' Collective and Individual Labor Activity in the Additional Production of Goods and Services. The following are the more important changes: Throughout the code, the word "permit" is replaced by "registration." This is because previously, under the code, citizens acquired the right to practice crafts, produce goods, engage in trade, and perform services only if they had obtained a permit according to the procedure laid down in the code. Now the more democratic stipulation is adopted that citizens wishing to engage in such activities only have to register at their local municipal people's council. Of course, when registering one also has to present certificate of eligibility and the other evidence listed in the code. Accordingly, Section 5 of the code, which is entitled "Practicing a Craft, Organizing Production, Carrying On a Trade, and Performing Services With a Permit" has been entirely changed. The section is now entitled: "Practicing a Craft, Organizing Production, Carrying On a Trade, and Performing Services Independently by Citizens." It is stated at the start of the section that citizens, by simply registering at the municipal council, may independently, using their own means of production, practice a craft, take part in the production of goods, carry on trade, or perform services, and an exhaustive list is given of prohibited activities, which are: production of and trade in medicines, narcotics, poisons and substances dangerous to health; producing, repairing, and dealing in explosives, and so on, that is, activities which it is not in the public interest to leave in the hands of individual citizens.

—The same issue, the Ministry of Transportation publishes an Order on Amendments and Addenda to the Order on the Performance of Transportation Services by Citizens, issued by the same ministry.

CSSR, Poland's Urban Support Soviet Cutbacks

AU0812161988 Paris AFP in English
1549 GMT 8 Dec 88

[Excerpts] Bonn, Dec 8 (AFP)—European leaders on both sides of the Iron Curtain continued Thursday to welcome Soviet leader Mikhail Gorbachev's proposed military cutbacks on the continent, describing them as a major step toward disarmament. [passage omitted]

Meanwhile in the East bloc, Czechoslovakia "totally supports the vast new proposals", official spokesman Miroslav Pavel said in Prague.

Soviet troop reductions and reorganization there, as well as in East Germany and Hungary, would contribute "to a new easing in tension in Europe," he added.

This and other Soviet initiatives showed "that the new thinking, realism, flexibility and desire for political dialogue constitute a firm programme".

Polish Government spokesman Jerzy Urban, in Rome for a two-day visit, said that although the proposal "does not affect Poland", Warsaw "expects bilateral meetings (that is, with the Soviet Union) on conventional arms reduction".

He said there was "a Soviet contingent whose character is essentially defensive" in Poland.

Gorbachev's 'Clock of History' Speech Analyzed

LD0812234988 Prague Domestic Service in Czech
1730 GMT 8 Dec 88

[Jiri Cebrovsky commentary: "A Message to Civilization"]

[Text] What we heard yesterday from New York when Mikhail Gorbachev spoke to mankind about mankind was the clock of history ticking—no recriminations or criticism, nor even poetic rosy visions of the 21st century. Instead of this, what the highest Soviet state representative had to say was serious and yet straightforward. Peace cannot be imposed by orders, peace is not something for two or three states, but for all; debts cannot be paid off by incurring more debts; it is a bad thing if a full man says to a hungry man: It is your own fault; the less nuclear weapons there are, the greater our chances of not being wiped out by acid rain; space is the cradle of mankind, but the weapons which man wants to send up there could be mankind's grave.

Yes, what we heard yesterday in New York was the clock of history ticking—we heard that it was high time that people understood and recognized that the world is changing at breakneck speed, that the world is mutually interconnected, interdependent, and that anyone who does not understand this truth and refuses to acknowledge it is acting against his own interests and, at the same time, against those of everyone else. These were not harsh words of condemnation—after all, why should the wish and enthusiasm to alter the structure of the world and the life of its people or the effort to build instead of destroy be a matter of passing verdicts?

Man has so many weapons that he could wipe himself out many times over in a matter of seconds, yet against the forces of nature he is impotent; this is something which also occurred to those who listened to the ideas of the representative of a country, part of which has been hit by a tragic earthquake.

Mikhail Gorbachev's UN speech was not a dictatorship of words, but rather the defining line of new thinking—a message to civilization, you might say, and lent even greater weight by the fact that Mikhail Gorbachev bound up this philosophy for the future with pledges undertaken by a major world power showing how the prospect of a more peaceful and more secure world can be brought nearer.

I will leave it to others to make a detailed analysis of the significance of all the Soviet proposals made yesterday—to the regional conflict analysts, to the disarmament experts, to scientists in the field of ecology or space medicine, to the politicians at international conferences, and to the diplomats in the corridors. Let them all ponder and think through the importance of these Soviet measures. One thing, however, can be said even now: Hidden in Gorbachev's message to civilization is one immensely important principle: If we want to accomplish something, we must be prepared to get around the table, and we have a duty to set an example.

What we heard yesterday in New York when Mikhail Gorbachev spoke to mankind about mankind was the clock of history ticking—ticking in time with the pulse of all our lives, and many of us, I believe, will fully understand that it is up to us alone to ensure that this tick does not turn into the tick of the time bomb of the nuclear arms build-up.

Correction to Statement on Gorbachev Speech

The following correction pertains to the item headlined "Government Supports Soviet Reduction Proposals," published in the 8 December East Europe DAILY REPORT, page 16: column one, paragraph one, only sentence reads: The Czechoslovak Government fully supports the new extensive proposals for improving the international situation, presented by President Mikhail Gorbachev at the U.N. General Assembly session, it said in a statement read by head of the press department of the Czechoslovak Government Presidium office Miroslav Pavel today. (inserting phrase)

President Mitterrand Visits, Conducts Meetings

Arrival Described

LD0812132188 Prague Domestic Service in Czech
1130 GMT 8 Dec 88

[Text] French President Francois Mitterrand arrived in Czechoslovakia today on a 2-day official visit. At the

festively decorated Ruzyne Airport in Prague he was welcomed by President Gustav Husak and by Federal Premier Ladislav Adamec.

After the national anthems of both countries were played and military honors presented, Francois Mitterrand was greeted by the deputy chairmen of the Federal Assembly, the Czechoslovak National Front Central Committee, deputy premiers and ministers of the federal government, and other officials. The welcoming ceremony ended with a festive parade by a military unit.

The two presidents then left the airport by car, together with an honor escort of motorcyclists, for Prague Castle through the festively decorated streets of the capital. Francois Mitterrand and Gustav Husak then reviewed the honor guard of the castle in the castle courtyard. Shortly after this, the two heads of state met in the Brozik parlor.

Talks With Jakes

LD0812194388 Prague Domestic Service in Czech 1900 GMT 8 Dec 88

[Text] Today Milos Jakes, CPCZ Central Committee general secretary, met in Prague Francois Mitterrand, president of France, who is in Czechoslovakia on an official visit.

Milos Jakes welcomed this first visit by a French President since the founding of the CSSR. It is a reflection of the new atmosphere in international relations, which is favorable for concrete steps toward strengthening trust and cooperation in Europe and the world. He emphasized the need for all countries to actively participate in the process of detente, particularly in the area of disarmament—the reduction of armies and weapons. He expressed full support for the proposals made by Mikhail Gorbachev at the UN General Assembly. He said that the withdrawal and liquidation of six Soviet tank units from the CSSR, the GDR and Hungary and other concrete measures and initiatives of the Soviet Union and Warsaw Treaty should not remain without a response.

He stated that cultural relations between Czechoslovakia and France have reached a good level. Economic cooperation, however, does not correspond to the present needs or possibilities of both countries. In particular it is necessary to support cooperation in production and in implementing modern technologies. Favorable conditions are being created in Czechoslovakia for new forms of economic cooperation.

The CPCZ Central Committee general secretary expressed the conviction that the visit by the French president will be an important stimulus for further all-round development of Czechoslovak-French relations. Milos Jakes explained the character of changes taking place in Czechoslovakia, both in realizing economic reform and in the process of the wide democratization of political and social life. CPCZ policy aims to stimulate the workers' initiative, remove egalitarianism and mediocrity, and support new progressive approaches.

Francois Mitterrand designated his visit to Czechoslovakia as a new step in overcoming the difficulties in Czechoslovak-French relations. Its aim is to liven up the previously established spheres of cooperation and set up cooperation in new spheres. The two countries have sufficient intellectual and industrial capacities for that purpose. He said that the history of mutual relations and perspectives of cooperation were the reasons why he decided to pay foremost attention to Czechoslovakia in his new policy toward the socialist countries after being reelected French president. He explained the current internal political situation in France, as well as his government's foreign policy. He said the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles is historic and stressed its special significance in the European context. France is determined to contribute toward the process of disarmament.

Francois Mitterrand talked about the future of Europe, the current integration processes, and some actual projects of all-European cooperation.

Confers With Husak

LD0812211188 Prague Domestic Service in Czech 1900 GMT 8 Dec 88

[Text] CSSR President Gustav Husak and French President Francois Mitterrand met for talks in Prague Castle today. The two statesmen recalled the rich tradition of Czechoslovak-French relations, which have to be further developed based on the needs of the present as well as the future. They stressed that the visit of the French president to Czechoslovakia can create very good prerequisites for doing this. There was bilateral interest in strengthening and deepening cooperation in the political, economic, cultural, and other spheres. They also pointed to the broad scope for developing economic contacts, the level of which thus far fails to correspond to the possibilities and interests of the two countries. Francois Mitterrand explained the Eureka project and stressed the role of audiovisual aids in culture, disseminating information, and teaching language. He pointed to the possible involvement of Czechoslovak enterprises in these programs.

Gustav Husak briefed the French president on progress in restructuring, introducing economic reform and deepening socialist democracy, increasing citizens' participation in administration and management, and implementing citizens' rights and duties. He said that Czechoslovakia is interested in broader economic and scientific-technical cooperation and will explore the possibility of joining the Eureka program and audiovisual

aids project. He also stressed that it is useful to a greater extent to exploit progressive forms of cooperation such as direct relations, production cooperation, and joint enterprises.

The two representatives talked about topical international problems, on the assessment of which they expressed their identical or close viewpoints. They pointed to the significance of the USSR-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, as well as to the talks on the 50 percent reduction of strategic offensive weapons, which would mean a resolute step forward in building a peaceful world. They agreed that for an atmosphere of trust and security in Europe the reduction of conventional weapons is important.

They praised proposals for the unilateral reduction of the number of Soviet armies and weapons, which was delivered at the United Nations by Mikhail Gorbachev. Gustav Husak pointed out that this also concerns Soviet units on Czechoslovak territory. Both statesmen agreed that it is necessary to successfully conclude the Vienna follow-up meeting as soon as possible and to begin talks on the reduction of armed forces and conventional weapons in Europe in the near future. The need to liquidate chemical weapons was stressed during the conversation on the process of disarmament and international detente. Gustav Husak welcomed the convening of a conference on these weapons in Paris. He said that Czechoslovakia will take part in it because this forum can contribute significantly to efforts to reduce mass destruction weapons. Gustav Husak and Francois Mitterrand expressed support for the trend toward detente and the spreading cooperation in the world, and they emphasized the interests of their countries in deepening this process.

Guest at Dinner

LD0812223688 Prague Television Service in Czech 1900 GMT 8 Dec 88

[Text] We have already informed you about the course of the visit by the French president to Czechoslovakia. The last point on today's agenda was a gala dinner in honor of the guest, at which the presidents of both republics gave toasts:

Gustav Husak spoke about the tradition of friendly contacts between the two countries. He emphasized that the visit by Francois Mitterrand is taking place at a time when an atmosphere of increased trust is begining to manifest itself in international relations, and cooperation is coming to the fore instead of confrontation. For this reason we welcome all positive results in talks on disarmament and the solving of regional conflicts. We believe that these processes will continue and will extend to all areas of international relations and to all regions of the world, Comrade Husak continued. In this connection we consider proposals contained in yesterday's speech by Mikhail Gorbachev in the United Nations as noteworthy, as well as the concrete unilateral decision by the Soviet Union to reduce the number of its armed forces and arms. This reduction also concerns Soviet units on the territory of Czechoslovakia. We warmly agree with these initiatives.

We have a sincere interest in lasting peace and security in Europe. Together with socialist countries we have put forward proposals in this direction, and we are prepared to evaluate all concrete suggestions by other countries, to look for points of contact with them and mutually acceptable solutions.

We can state with pleasure—and our talks today confirmed this—that favorable prerequisites have been created for the futher development of bilateral relations between our countries, Czechoslovakia and France. We wish to continue developing constructive dialogue with France at all levels, and to broaden it in the interest of strengthening peace, security and progress in Europe and the world, Comrade Gustav Husak said.

Francois Mitterrand, in response, said among other things that he is honored to have been invited to pay a state visit to Czechoslovakia. I greet the Czechoslovak people and wish them well. The French people have always entertained thoughts of friendship and sentiments of solidarity toward the people of Czechoslovakia, the French president continued. It is with special intensity that I am experiencing the fact of my being here tonight in this city, so beautifully formed by European genius. We find ourselves in the very heart of Europe at a time when there is great interest in the future of this part of the world—of our Europe. The Czechoslovak Republic has existed for 70 years, and so far no high-level French representative has been here on an official visit. I wished very much that this anomaly could be rectified at a time when you are celebrating the anniversary of your Republic's foundation. I would like to remember on this occasion the many Frenchmen who were inspired by the cause of Czechoslovakia, just as your compatriots who put their hopes and trust in France. France stood at the side of the young Czechoslovak Republic, and is still proud of this fact, Francois Mitterrand said among other things in his Prague Castle dinner speech.

More on Dinner

LD0912000088 Prague CTK in English 2115 GMT 8 Dec 88

[Text] Prague Dec 8 (CTK)—Czechoslovak President Gustav Husak gave a dinner here tonight in honour of French President Francois Mitterrand.

Present were Czechoslovak Communist Party General Secretary Milos Jakes, Premier Ladislav Adamec and other members of the Czechoslovak Communist Party Central Committee Presidium and other personalities of the Czechoslovak political and public life.

Also present were French Foreign Minister Roland Dumas and other members of Francois Mitterrand's entourage, as well as the two countries' ambassadors.

Johanes Receives Iran's Larijani

LD0812162988 Prague CTK in English
1319 GMT 8 Dec 88

[Text] Prague Dec 8 (CTK)—Czechoslovak Foreign Minister Jaromir Johanes received here today Iranian deputy Foreign Minister Jawad Larijani who is heading an Iranian delegation to consultations between the two countries' foreign ministries.

The two officials exchanged views on relations between Czechoslovakia and Iran and on some international topics.

Vaclavik Conducts Talks in Syria

Meets With Officials

LD0612223688 Prague CTK in English
2144 GMT 6 Dec 88

[Text] Damascus Dec 6 (CTK correspondent)—Syrian Prime Minister Mahmud al-Zu'bi appreciated the level of relations achieved between Syria and Czechoslovakia in the economic and technical sphere and in the development of contacts of their social organizations during his talks here today with Czechoslovak Defence Minister Army General Milan Vaclavik.

Earlier today, the Czechoslovak minister met with his Syrian counterpart Army General Mustafa Talas. They pointed out the usefulness of effective bilateral cooperation and expressed interest in its further development in the spirit of the treaty of friendship and cooperation signed between Czechoslovakia and Syria in 1975.

Milan Vaclavik met for talks also with member of the regional leadership of the Ba'th Arab Socialist Party and chairman of the Society of Syrian-Czechoslovak Friendship Izzedin Nasir.

The Czechoslovak delegation today visited the town of Al Qunaytirah at the foot of the Golan Heights occupied by Israel. The governor of the province acquainted the guests with the history of the region and the commander head of the military area informed them of the military situation on this territory.

Received by Vice-President

LD0812234688 Prague CTK in English
1917 GMT 7 Dec 88

[Text] Damascus Dec 8 (CTK correspondent]—Czechoslovak Defence Minister Army General Milan Vaclavik was received here tonight by Assistant Secretary General of the Ba'th Arab Socialist Party Abdallah al-Ahmar and Syrian Vice-President 'Abd al-Halim Khaddam. The two sides emphasized during their talks the basic aspects of Czechoslovak-Syrian cooperation and the usefulness of its development.

Earier today, Milan Vaclavik met with pilots of the Syrian Air Force, and was acquainted with the activity of members of an anti-aircraft defence unit and with their tasks in defending the country's air space. He appreciated their combat capability and readiness, as well as their resolve to defend their country against the aggressor.

The Czechoslovak minister and his entourage visited the town of Palmir famous for its unique antique monuments. The minister highly appreciated the care devoted by the Syrian Government to the preservation of the treasures of the past and the present development of this historical region as well as of the whole country.

Confers With Hafiz al-Asad

LD0812225288 Prague CTK in English
1813 GMT 8 Dec 88

[Text] Damascus Dec 8 (CTK correspondent)—Czechoslovak Defence Minister Army General Milan Vaclavik was received here today by Syrian President and Commander-in-Chief of the Syrian Armed Forces Hafiz al-Asad.

Milan Vaclavik highly appreciated Hafiz Al-Asad's merits in the progressive development of the country and its foreign political orientation contributing to peaceful cooperation in international relations and mainly Syria's efforts for a just solution of the Middle east problem.

Hafiz al-Asad appreciated the quality of long-term bilateral cooperation and on behalf of the Syrian people thanked for the assistance granted by Czechoslovakia to Syria. He stressed that despite several problems which are being solved by the two countries in the economic sphere it is necessary to continue mutually advantageous cooperation in the spirit of the treaty of friendship and assistance signed between Cezhoslovakia and Syria.

Later in the day, Milan Vaclavik met with his Syrian counterpart Army General Mustafa Talas for final talks.

Protocol on Goods Exchange Signed With Hungary

AU0612131788 Prague RUDE PRAVO in Czech
3 Dec 88 p 2

[CTK report: "Goods Exchange With Hungary Will Increase"]

[Text] Prague—A protocol on the exchange of goods between the CSSR and the Hungarian People's Republic in 1989 was signed in Prague on Friday [2 December].

Next year, compared with 1988, the bilateral goods exchange will increase by 4.7 percent and will amount approximately to R1.8 billion. The share of deliveries arising from valid agreements will constitute about 30 percent of the total turnover. The CSSR will deliver machine tools, LIAZ trucks, Skoda passenger cars, hydraulic equipment, rolled material, products of the chemical industry, and consumer goods to the Hungarian's People Republic. We will import agricultural machinery, wire [dratove] and wireless telecommunications, computers, articulated buses, products of the foodstuff industry, and consumer goods from the Hungarian People's Republic.

Government Authorizes 10 Dec Demonstration

AU0812163388 Paris AFP in English
0034 GMT 8 Dec 88

[Text] Prague, Dec 7 (AFP)—Forty years after Communists seized power in Czechoslovakia and the Universal Declaration of Human Rights was signed in Paris, the government here on Wednesday authorized a street demonstration to mark next Saturday's anniversary of the declaretion.

Leaders of the Charter 77 human rights group said that the government refused to authorize the demonstration on Wenceslas Square, site of many nationalist or anti-government protests, but agreed to allow it on Skrupovo Square, about 1.5 kilometers (a mile) away.

Four other opposition groups have also called for popular participation in the demonstration.

Fojtik Urges Action by Journalists

LD0712233388 Prague CTK in English
1728 GMT 7 Dec 88

[Text] Prague Dec 7 (CTK)—Further progress of restructuring in Czechoslovakia will to a considerable extent depend on journalists' awareness of their responsibility for the creation of a work-like and active atmosphere in society, Czechoslovak Communist Party Presidium member and Central Committee Secretary Jan Fojtik stressed here today.

He was addressing a joint session of the Central Committees of the Czechoslovak, Czech and Slovak Unions of Journalists centering on their tasks after the 10th session of the Czechoslovak Communist Party Central Committee and on ideological work.

The party official pointed out that the mass media stand before great duties in the period of the preparation of the 18th party congress which will certainly bring about new activation of the party and society. In order to carry out these duties it is necessary that the pages of newspapers become a platform for a broad constructive exchange of views, creative debates on the basic questions of the further development of Czechoslovak society.

Also necessary is a critical approach to the shortcomings which we must remove if we want to make progress. The mass media must concentrate their strength on ensuring that we get rid of the burdens of the past and centre on work concerning the present.

Jan Fojtik went on to say that "it is no secret that there exist forces which would like to capitalize on restructuring, to demagogically mar it, even under a mask of its most eager advocates, to abuse it against socialism and use it for its discreditation. Fortunately we have an experience from the struggle against these forces but we must not forget about them today," the party official said and added that "the criteria we follow are clear: Restructuring is aimed at strengthening and further development of socialism, not at its weakening or even endangering. Democracy and socialism are inseparable. Democratization that would open up scope for attacks against socialism will find no support."

Commissions Discuss Elections, Youth

AU0612120988 Prague RUDE PRAVO in Czech
2 Dec 88 p 2

["(z)"-signed report: "CPCZ Central Committee Commissions Discuss Issues Linked With the Political System and Youth"]

[Excerpt] Prague—The constituent session of the CPCZ Central Committee's Political System Commission was held in Prague on Thursday [1 December]. The session was chaired by the commission's chairman, Karel Urbanek, CPCZ Central Committee Presidium member and chairman of the Committee for Party Work in the Czech SR. The commission was briefed on the principles governing the activities of permanent CPCZ Central Committee commissions and discussed the orientation of the contents of its own activities, as well as suggestions for its deliberations up to the time of the 18th CPCZ Congress. It also assessed proposals for improving the system of general elections in our socialist society.

In context with the problems linked with the orientation of the commission's work, its working methods, and the direction of its activities, Karel Urbanek stressed that the commission's main mission is to assist the CPCZ Central Committee agencies in the preparation of concepts and the elaboration, implementation, and control of the fulfillment of party resolutions within the political system and the development of party democracy (particularly in the activities of our National Front, of our social organizations, and of the agencies of our socialist state).

The commission then assessed proposals for improving the system of general elections in our society. It stated that the democratization of our election legislation is one of the important steps toward gradually restructuring society. The intensification of democratic principles in

general elections to national committees and legislative bodies is also one of the prerequisites for enhancing the citizens' activity and their interest in solving public affairs.

Emphasis was placed on the demand voiced at the Ninth CPCZ Central Committee session in April 1988: to improve the election system itself, as the basis on which the entire system of local agencies of state power and administration and of the top agencies of state power is established.

The commission recommended that the suggestions and comments made by commission members be incorporated in the documentation submitted to the session, and that all material then be assessed by the Central Committee Presidium of the CSSR National Front, after which it should be submitted to the CPCZ Central Committee Presidium for discussion.

The CPCZ Central Committee Commission for Work With Young People convened in Prague on Thursday [1 December] with Ignac Janak, CPCZ Central Committee Presidium member and first secretary of the Central Committee of the Slovak Communist Party, in the chair.

The commission assessed the implementation of the principles set up by the Czech SR Government for exerting social influence on the leisure time of children and adolescents. It stated that the principles have contributed toward establishing conditions enabling young people to make expedient use of their free time. However, we are still not succeeding in enforcing all this at the desired rate. The leading staff's interest in what the young people find interesting, in their way of life, and in the way they spend their time after work has not increased either. [passage omitted]

The commission also discussed the orientation and framework of its activities planned for the period up to the 18th CPCZ Congress.

State Reaction to Gorbachev Arms Proposal

Initiative's Prospects Viewed

LD0812212288 East Berlin Voice of GDR Domestic Service in German 1705 GMT 8 Dec 88

["Commentary of the Day" by Willi Piater]

[Text] The GDR welcomes and totally supports the new far-reaching proposals and initiatives which Mikhail Gorbachev has submitted before the United Nations, according to Erich Honecker after Gorbachev's speech.

The GDR is actively devloping the Warsaw Pact states' peace program, which is aimed at comprehensive and total disarmament, and which makes no detour around any type of weapon. There is no question of our needing a period to think: We have always supported moving from zero solution to zero solution in word and deed, by the USSR's side and on our own responsibility. For this reason, the announcement that the Soviet Union will, over the next 2 years, in coordination with her allies, be reducing armed forces by 500,000 men and be withdrawing six tank divisions from the GDR, the CSSR, and Hungary, has been the subject of tribute on our part as an event of historical significance.

Participants in the General Assembly said yesterday that it was necessary to think back for a long time in order to remember a speech of similar importance before this audience. Journalists spoke of a drumroll—quite a correct description and not an exaggeration, since the Soviet measures were announced, almost 1 year to the day after the signing of the remarkable INF agreement, as a decision by the USSR Government. This is even more remarkable because the opponents of further disarmament steps, particularly in NATO, had massively stepped up their campaigns to mislead the public. For God's sake, don't do away with nuclear weapons—this would endanger peace, said NATO Secretary General Woerner, whenever there was a chance to do so.

Bonn had evidently approved of the devious trick, misleadingly described as modernization, of replacing short range nuclear weapons by quasi-intermediate range missiles. Why else, during yesterday's Bundestag question time, would the unambigious No demanded by the majority of the FRG's population have been avoided? The shorter the ranges, the more Germans will be among the victims—a remark by CDU/CSU group chairman Dregger. Has he perhaps already forgotten that himself? Defense Minister Scholz was recently in the United States; if one follows his relieved remarks, the most important result of his visit was the assurance from Washington that troops would not be withdrawn from Bavaria or the Palatinate. What now, Herr Scholz?

Yes, the decision by the Soviet Government is a drumroll, particularly for those who still try to spread the ancient lie of the threat from the East, who still aim for an arms race, in order to please certain groups of large-scale capitalism. Within the next 2 years, half a million Soviet soldiers will take off their uniforms. This is disarmament with no if's or but's, disarmament in action—and it is happening unilaterally, with no advance requirements imposed on the other side and independently of the course of the negotiations in Vienna.

In Moscow, precise account has been taken of the fact that NATO'S military superiority, for example as regards combat aircraft or sea-based arms systems, continues to exist. But we make no progress with the reduction of tensions if no new and bold paths into the future are sought and above all trodden. With the level of technology today, no war can be waged any more on our European continent, even a conventional one. In its time, during the moratorium of over a year on tests of nuclear mass destruction weapons, the Soviet example did not meet with the requisite positive response. Fortunately, some things have gone better now, particularly since the fight for more security has for a long time now not been simply left to the diplomats alone and because the incessant efforts of the socialist countries not to allow a pause in the disarmament process fall increasingly on fertile ground, as opinion polls repeatedly confirm. The NATO Council today begins its fall meeting in Brussels—the opportunity to let appropriate deeds follow the Soviet example. For now, deeds are called for—in all our interests.

Kessler on Initiative

LD0912134488 East Berlin ADN International Service in German 0852 GMT 9 Dec 88

[Text] Berlin (ADN)—The far-reaching initiatives submitted at the UN General Assembly by Mikhail Gorbachev for the reduction of armed forces and armaments in central Europe, and the declared readiness of the alliance of socialist states to undertake both bilateral, coordinated reductions and unilateral steps as prior concessions will once again lend strong impetus to the process of continuing disarmament and detente. This assessment was made by Defense Minister Army General Heinz Kessler during a visit to a GDR People's Navy unit, according to a NEUES DEUTSCHLAND correspondent's report on Friday.

"At the same time we know that, however pressing it is to intensify efforts in this direction, and however determined the socialist states press in this direction, it nevertheless remains necessary to ensure in all spheres of our national defense and, above all the armed forces and frontier troops of the GDR, that an appropriate, secure military defense of peace and socialism remains guaranteed at all times, as proclaimed to all the world in the military doctrine of the Warsaw Pact states", NEUES DEUTSCHLAND cites the minister as saying.

Army General Kessler said that it is the experience of the socialist states that negotiations with capitalist partners, which after all always put forward their class positions, are most likely to lead to effective results when these

partners are approached from the basis of an economically sound, politically and ideologically solid, and reliably protected socialist order.

Dizdarevic on Ties, Gorbachev UN Initiative

LD0812160788 Belgrade TANJUG Domestic Service in Serbo-Croatian 1511 GMT 8 Dec 88

[Text] Berlin, 8 Dec (TANJUG)—Raif Dizdarevic, president of the SFRY Presidency, who is on an official and friendly visit to the GDR, today said that Yugoslavia and the GDR enjoy very good relations. He stated that conditions have been created for further developing cooperation and that the current visit will provide an impetus in this direction. We carried out an exchange of views on developments in our two countries and the programs which occupy us at the moment. I found chairman Honecker's information about the achievements, plans, and future orientation in the GDR's development very useful. The more we get to know each other the better will we understand each other, Raif Dizdarevic said in a statement to Berlin radio and television.

One of the questions referred to yesterday's speech by the Soviet leader, Mikhail Gorbachev, in the United Nations.

I have only had incomplete information about the speech, Raif Dizdarevic said. But what I heard about the Soviet Union's decisions relating to a reduction in the armed forces, to the withdrawal and disbanding of six tank divisions from Europe, to the withdrawal of a substantial contingent of Soviet troops from Mongolia—in my view this deserves to be assessed positively and is to be welcomed, Dizdarevic said. The President of the SFRY Presidency underlined that basically this is what Yugoslavia has always been advocating in its foreign policy. We hope that this will provide a significant impetus for further negotiations on reducing armed forces and conventional weapons in Europe, in particular where the concentration of arms is the highest. If moves are set in motion in Europe they are likely to be set in motion elsewhere, Raif Dizdarevic told Berlin radio and television.

Honecker Condolences on Armenian Earthquake

LD0812140488 East Berlin ADN International Service in German 1304 GMT 8 Dec 88

[Text] Berlin [ADN]—In a telegram to Mikhail Gorbachev, Erich Honecker has expressed the GDR's deeply felt sympathy on the serious earthquake in the Soviet Union. The general secretary of the SED Central Committee and chairman of the GDR State Council assured the Soviet state and party leader:

The news of the serious earthquake in the Armenian SSR has deeply shocked us. I ask you to accept our deeply felt sympathy and to convey the sincere sympathy to all citizens of the GDR to the inhabitants affected by the disaster and to the victims' families.

Press Release on PPR's Rakowski's Visit

LD0512201088 East Berlin ADN International Service in German 1826 GMT 5 Dec 88

["Joint Press Release on the Visit by Mieczyslaw F. Rakowski"—ADN headline]

[Text] Berlin (ADN)—At the conclusion of the talks between the chairmen of the PPR and GDR councils of ministers held in Berlin today, a joint press release was agreed. The text is as follows:

At the invitation of Willi Stoph, chairman of the GDR Council of Ministers and member of the SED Central Committee Politburo, Mieczyslaw F. Rakowski, chairman of the PPR Council of Ministers and member of the PZPR Central Committee Politburo, was in the GDR on the 5 December 1988 for a friendly working visit.

Mieczyslaw F. Rakowski was received by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of state, for friendly talks. The chairman of the PPR Council of Ministers conveyed fraternal greetings from Wojciech Jaruzelski, first secretary of the PZPR Central Committee and the chairman of the PPR Council of State, which were warmly reciprocated by Erich Honecker.

During their talks, Willi Stoph and Mieczyslaw F. Rakowski stated with satisfaction that relations between the GDR and the PPR rest on the firm foundation of trusting cooperation between the SED and the PZPR. They are characterized by a constant and multilateral development. Cooperation between the two socialist neighbor states on the basis of the 28 May 1977 Friendship, Cooperation, and Mutual Assistance Treaty is of great importance for stability and security in Europe, as well as for strengthening the alliance with the USSR and the other socialist community states.

The chairmen of both countries' councils of ministers briefed each other on the results achieved in fulfilling the resolutions of the 11th SED Party Congress and the 10th PZPR party congress.

Willi Stoph explained that the fashioning of the developed socialist society in the GDR, which is an historical progress of far-reaching political, economic, social, intellectual, and cultural transformations, is being purposefully continued. Thanks to the efforts of working people in continuing comprehensive intensification by the application of new technologies, it has been possible to achieve stable growth of the national economy, to continue the tried and trusted course of the unity of economic and social policy, and to show still more effectively the advantages of socialism for the good of the people. Mieczyslaw F. Rakowski gave a briefing on the development of the political and socioeconomic situation in Poland, and on activities for socialist renewal and democratization, for consolidating the national economy, and improving living conditions. He stressed that

at socialism's current stage of development in Poland, far-reaching reforms of the model for the functioning of the economy, and the democratization of state institutions and political and social life, are indispensible. Willi Stoph and Mieczyslaw F. Rakowski agreed that the economic and scientific-technical cooperation between the GDR and the PRP is organized advantageously for both sides. The long-term program for the development of cooperation between the GDR and the PRP in science, technology, and production up to the year 2000 is being successfully carried through on all levels. Thus, the resolution of important national economic tasks in both countries is being supported. Trade in 1988 is being carried out with great dynamism. The 1986-88 long-term agreement for the first 3 years is being exceeded. The increase in trade in 1988 amounts to approximately 20 percent compared to 1985. This development will be continued with the annual protocol for 1989, which was recently concluded.

The interlocutors declared themselves in favor of intensifying cooperation in branches such as microelectronics, instrument construction, process- measuring and control technology, machine-tool building, textile machine-building vehicle construction, agricultural machinery industry, shipbuilding, and the chemical industry. They called for the existing possibilities of cooperation in production, science and technology, and for the reliable fulfillment of the relevant agreements between ministeries, economic management bodies, and combines, to be exhausted. The two premiers stressed that the direct working relations between combines, enterprises, and research establishments of the two countries are an effective form of cooperation. They set the task of utilizing direct relations in a more consistent way in the specialization and cooperation of production, the deepening of cooperation in science and technology, as well as for the expansion of mutual supplies. The coordination of the national economic plans for the period 1991-95, under the leadership of the central planning bodies of the two countries, is accorded a decisive role for cooperation according to plan. The two premiers recommended a speedier continuation of work in this area.

The committee for GDR-PPR economic and scientific-technological cooperation is being charged with the coordination and supervision of the implementation of the long-term cooperation program. A start is to be made to the preparatory work for the plan of measures and its implementation in the next 5-year period.

The GDR and the PPR will continue to contribute consistently to socialist economic integration by actively implementing the decisions of the 44th CEMA meeting, which are of great importance for meeting the qualitatively new demands on cooperation between member countries.

Willi Stoph and Mieczyslaw Rakowski described the agreement signed by Erich and Wojciech Jaruzelski on 24 June 1988 on a friendship program between GDR and PPR youth as a real investment in the deepening of the traditional friendship between the two peoples, the political dimensions of which reach far into the future.

They spoke in favor of purposefully continuing the children and youth exchange that has been in progress for 6 years, in accordance with proven principles and experience. The two premiers discussed possibilities for deepening contacts and exchanges of experience between the two countries' central state bodies and institutions. They also recommended expansion of direct contacts at local and works' level within the framework of the partnership relations between bezirkes and voivodships.

The two sides highly assessed the level of cooperation reached in the spheres of culture, education, and sciences, and spoke in favor of continuing efforts to further acquaint the two peoples with the history and culture of each others' countries. Both sides agreed that problems and difficulties arising are solved on the basis of trusting cooperation, close contacts and links in the spirit of friendship and understanding in their partner's interests.

Willi Stoph and Mieczyslaw F. Rakowski stated with satisfaction that improvements in international relations offer new possibilities for nations' struggles for the removal of the danger of a nuclear war, and for radical disarmament, a lasting reduction in tension, and broad international cooperation.

On the basis of the peace program, which includes all forms of weapons, put forward by the Warsaw Pact member states, it has been possible to achieve first and encouraging results by the purposeful actions of the socialist states, and thanks to the efforts of a broad world public and realistically thinking elements in the West.

Nuclear disarmament, heralded by the Soviet-U.S. treaty on the removal of intermediate- and shorter-range missiles, now has to be stabilized and extended—by a 50 percent reduction in the strategic offensive weapons of the USSR and the United States while adhering strictly to the ABM Treaty, the reduction in number and eventual ending of nuclear tests, the banning and destruction of chemical weapons, the reduction of forces and conventional arms, and the reduction and final removal of tactical nuclear weapons—to further areas. The GDR and the PPR will continue promoting the disarmament process with their own initiatives.

The two premiers expressed their concern that not all possibilities are being used to achieve a far-reaching improvement to the international situation. They underlined the need to turn away from old modes of thinking on security issues and to renounce all actions which could hold up or complicate the disarmament process. They see such a danger in the plans to make compensations for destroyed intermediate- and shorter-range missiles, and in the fact that certain elements are maintaining the obsolete doctrine of deterrence.

The two premiers assessed the state of the Vienna CSCE review meeting. They reaffirmed the standpoint of their governments with regard to its rapid conclusion through the acceptance of a substantive and balanced final document. This would open the door for negotiations on a reduction of the armed forces and conventional arms in Europe, from the Atlantic to the Urals, and on new military confidence-building measures and security, and offer the continent the opportunity for broadly diversified cooperation in all the spheres encompassed by the Helsinki Final Act. Both sides reaffirmed their determination to contribute actively to the building of the common European home.

The two partners in the talk again stressed that an essential condition for lasting peace and security in Europe, and also for trusting cooperation between states, is the inviolability of borders and respect for territorial and political realities, territorial integrity and sovereignty, and the other generally recognized norms and principles of interstate relations, including noninterference in internal affairs.

The two chairmen of the councils of ministers welcomed the measures taken for a peaceful settlement of regional conflicts in the world. They spoke in favor of solving them through compromises with respect for the interests of all those involved, for which adherence to the commitments entered into by all states is necessary.

Willi Stoph and Mieczyslaw Rakowski stresed that the governments of their countries will continue to work actively to ensure that all the global problems facing mankind are solved by means of a policy of dialogue and the constructive collaboration of all states.

The talks were held in an open and cordial atmosphere. There was agreement in all the questions discussed.

Mieczyslaw Rakowski, PPR chairman of the Council of Ministers invited Willi Stoph, chairman of the GDR Council of Ministers to visit the PPR. Willi Stoph accepted the invitation with thanks.

Kohl's State of Nation Speech Viewed

AU0912114788 East Berlin NEUES DEUTSCHLAND in German 3-4 Dec 88 p 2

[Commentary by Karl-Eduard von Schnitzler: "Against Better Judgement"]

[Text] Sparrows in Bonn announce from the sacred cathedral, from the roof of the Beethoven House, and from the university where Ernst Moritz Arndt was once forbidden to practice his profession what is being ignored at the Chancellor's Office.

In front of empty Bundestag benches—how fortunate for the chancellor—Helmut Kohl gave a speech against his better judgement, whose miserableness raises the question whether Kohl is still in possession of political authority.

Well, somebody who obtains political information from BILD, somebody who keeps a press spokesman like Ost, who pretends to know nothing about job denial practices in the FRG, can hardly have a correct picture of the East and does not know the GDR.

Kohl spoke about some "state of the nation" and played the hypocrite, regretting that the GDR "is uncoupling itself from the Soviet Union." I do not want to mention other examples of nonsense that the chancellor expressed during his speech and which demonstrate his lack of information and his political backwardness. There were passages in his rhetorical masterpiece which—for God's sake—are none of the speaker's business nor that of his ghostwriter. Worries about socialism by a declared opponent of socialism could provoke hilarity, if hypocrisy were not so obvious.

However, let us talk about Kohl's statement about the "GDR's uncoupling from the Soviet Union" and about the sparrows in Bonn. They are announcing what Kohl was recently told in Moscow and what he wants to distract attention from with his statement about the "GDR's uncoupling."

If one can trust Western media, Kohl received a tough and clear answer in Moscow to his pan-Germanic behavior. The flood of words about his country's importance is no longer of any interest. The same applies to his attempts to bring up border issues again. His attempts to question realities of the postwar era that have been stipulated in agreements and to rewrite history have apparently been rejected. His spokesman Ost should have reminded him of this when he drafted the most recent speech (if he is capable of remembering something.) It is strange that everything that was agreed on during Erich Honecker's visit to Bonn is being forgotten. However, to remember things would be asking too much. In the joint communique the declaration of 12 March 1985 was explicitly reaffirmed. It reads: "The inviolability of borders and the respect for the territorial integrity and sovereignty of all European states within the current boundaries are a fundamental prerequisite for peace."

Kohl would have been well advised to ask his "Kremlinologist" for information, who could have told him that the socialist German state and the Soviet Union are linked by political, economic, and scientific ties that are unique in the history of relations between peoples and states. They would have told him that the two alliance partners are linked by cordial ties, in correspondence with the Treaty on Friendship, Cooperation, and Mutual Assistance between the GDR and USSR. His ambassador to Moscow should have told him about the exhibition that Mikhail Gorbachev and Erich Honecker visited prior to Kohl's visit, and how it was assessed. Not to mention the shared views on issues of peace, security policy, and disarmament.

Whereas Kohl spoke of an "open and honest" course in Moscow, denied any "relapse into revanchism" and vehemently rejected "chauvinism," the question arises after his address to the Bundestag whether a government is credible whose head does not know anything about the great changes in the world and the increasingly dynamic and vigorous policy in the sphere of confidence, understanding, and disarmament. Can a government be trusted that makes demands on its neighbors and which repeats these demands at periodic intervals in a stubborn manner? In view of this, it is not surprising that both the neighbors in the East and West ask themselves where the Germans are going.

It is, of course, not only simple-mindedness that makes Kohl relapse into the Adenauer-Brentano von Eckardt era. He has good reason for distracting the people's attention from his own sorrows. No matter whether he looks to the north to Schleswig-Holstein and Lower Saxony, or to the south to Rhineland Palatinate, he is faced with problems. In addition to that, there is Jenninger behind him, Ost at his side, and provincial elections ahead of him: It is understandable that he wants to shift people's attention to other topics.

But using his own unsuccessful domestic policy to join the course of confrontation, with nuclear deterrence, with the concept of "compensation," which implies the replacement or modernization of missiles that are to be eliminated or scrapped within the framework of the INF Treaty? Interference has always been doomed to failure. Kohl is now dismissing Mikhail Gorbachev's and Erich Honecker's warnings that fruitful relationships can only exist on the basis of the respect for the existing borders and of non- interference.

Kohl joins with the United States, with its political style, which has recently been characterized by the construction of new missiles and bombers, and by the denial of a visa for 'Arafat and Soviet journalists; he separates himself from the course of confidence-building, understanding, rapprochement, negotiations, disarmament, and peaceful coexistence.

As was already pointed out, all his boasting and pan-Germanic dreams did not yield results in Moscow. Nostalgic relapses lead to distrust and can be dangerous.

'Free Romania' Supporters Expelled From Hungary

WA0912190388 Paris LE MONDE in French 7 Dec 88 p 48

["Romania: Political Dissidents Expelled From Hungary Arrive in Paris"—LE MONDE headline]

[Text] Three Romanian political dissidents, refugees in Budapest, and militants of the Free Romania Movement, were expelled from Hungary after taking part, on 15 November, in a meeting which was banned in Budapest to commemorate the events in Brasso. According to the Romanian League for the Defense of Human Rights, the Romanians have been in the international area of the Roissy Airport since 1 December where they are awaiting a decision on the part of the French authorities.

Karpati on Soviet Cuts, Defense Budget Cuts

LD0812191588 Budapest Domestic Service in Hungarian 1730 GMT 8 Dec 88

[Text] [Presenter] It is obviously connected with the Gorbachev announcement, that in the National Assembly's Defense Committee session the reduction of the number of Soviet troops stationed in our country was also raised. Attila Balint's conversation with Defense Minister Ferenc Karpati was recorded in Nagyatad:

[Begin recording] [Balint] The Defense Ministry's budget will be reduced in real value terms by 17 percent. What does this mean?

[Karpati] Not only I but others also think that the country's defense is strong if the economy is strong, too. If the situation now demands that we renounce certain things in the interest of being able to realize the objectives which the government adopted last year, in its stabilization and unfolding program, then even with (?difficulty) we too must take account of this.

[Balint] The deputies here have been given the draft budget in two variations. The difference between the two was 7 percent. According to the one, if I remember correctly, the amount which the Defense Ministry would get this year is a little over 38 billion....

[Karpati, Interrupting] Yes.

[Balint] According to the other one it would be 42. But you have said that you do not consider it probable that the latter would happen.

[Karpati] I know about the debate that has been conducted in the government. For this reason I have unequivocally presented this variation to the Defense Committee, since more probably than not it is this one that will be approved.

[Balint] You are taking a series of measures to try to make up the amount of money which you will not be getting. One of these for example, is that next year the number of reserves, the reserves which may be called up, will be reduced by 40 percent. And what else?

[Karpati] It is not just a measure of thrift that the reserves will be reduced so considerably. But it is also pertinent that—even if not to such a proportion—nonetheless a significantly smaller amount will be utilized from the national economy, including the (?restricted use) of various machines [munkagepek], vehicles [gepar-muevek], and other technical tools, during maneuvers.

[Balint] You mentioned here the Gorbachev proposals from yesterday, and first of all you stated that as a consequence of these proposals the Hungarian People's Army does not have any obligations [koetelezettsegek], so to speak, so the military strength [hadiletszam] does not have to be increased here.

[Karpati] These were not proposals; these are unilateral decisions, steps, which Comrade Gorbachev announced at the UN General Assembly. We judge our Hungarian situation, our tasks, as follows: That we can fulfil them completely.

[Balint] You have said that this will now affect about one quarter of the Soviet Military Forces stationed in Hungary.

[Karpati] It was not the first time that it has been said, by the Soviet Government in fact, that its objective is that in Europe by the year 2000 all foreign troops should be withdrawn from the territories of other countries. But this cannot be unilateral.

[Balint] It was raised here in the debate of the parliament committee that the significant reduction of your budget will not fail to have an effect on production, on the functioning of those enterprises which have first and foremost been delivering military orders.

[Karpati] This is unfortunately the case. It is not possible everywhere to switch over very quickly and suddenly. Many people will also be affected, so much that their work places might cease. [end recording]

Military Budget Cuts Outlined

LD0812200088 Budapest Television Service in Hungarian 1830 GMT 8 Dec 88

[Text] The National Assembly Defense Committee held a budget session in Nagyatad today. Our Zalaegerszeg reporter (Gabor Halasi) reports:

The deputies were given 15 minutes to study the written material distributed to them. As the openness of the session did not at the same time mean the openness of the statistical data, journalists had to be content with the fact that in 1989 our country's defense expenditures will

further decrease. Defense Minister Ferenc Karpati gave only the following verbal supplement: With regard to the country's economic situation, the armed forces have been obliged to relinquish 4.9 billion forints.

In 1989 the largest proportion of the military budget will be spent on maintenance, and only a smaller proportion on development. Further inner reserves will be uncovered; the number of maneuvers will be decreased; fewer reserves will be conscripted; organizational reconstruction will be implemented. All this will naturally not be at the expense of training.

Now the issues affecting those eligible for military service: By next year they will not call up those awaiting entrance to higher education institutes, but university and college students will receive 1 year of training after graduation. The length of the so-called unarmed service is expected to be 24 months, and that of civilian service 36 months.

MSZMP Officials Comment on Gorbachev Offer

Karpati Speaks for Defense Ministry

LD0812225688 Budapest MTI in English 2108 GMT 8 Dec 88

[Text] Budapest, December 8 (MTI)— The latest sensation of world politics was a recurring theme on Thursday at the session of the Defence Committee of the Hungarian National Assembly, held in Nagyatad. The announcement of Mikhail Gorbachev on Wednesday about the unilateral reduction of Soviet troops stationed in the European Socialist countries was linked to the theme discussed by committee—the draft defence budget for 1989—in several major respects.

Colonel-General Ferenc Karpati, minister of defence, in his verbal addendum to the detailed draft submitted for the first time, appreciated the Soviet step as a decision that coincides with the Hungarian efforts. Among the fundamental aspects for planning the military expenditures, he first mentioned the international military-political situation. Following the former favourable changes, the current announcement is a development that occasions hope in the matter of the larger-scale reduction of European conventional weapons. If NATO responds positively both in words and deeds, then the Vienna talks in progress on this theme, which also directly concern Hungary, could be accelerated and lead to results within the foreseeable future. The minister of defence stressed that with this unilateral step the Soviet Union has also made it unanimous that the presence of its troops is based exclusively on military considerations, thus their withdrawal and disbanding is only dependent on the changes of the European military situation.

All this is essential for Hungary also because the other determining factor of military expenditure, the country's economic and social situation, also justfy reducing the budget. The sum to be turned to the maintenance and development of the people's army is expected to increase in nominal value by 1,100 million forints as compared to the actually utilized 38,600 million forints in 1988, but it will drop by 17 per cent in real value. In the interest of a more austere economy, the fundamental proportions of the military expenditures were considerably modified this year. Developments received 32 per cent of the total sum and maintenance 68 per cent. The draft for next year calculates with a 16 per cent share for development inputs.

The minister said that the Ministry of Defence has been reorganized and its staff reduced by about 240 persons. Similar steps will also be taken next year in the border institutions of the army.

Discussing other current tasks, Mr Karpati said working out the bill on alternative military service is progressing at a good pace, and it is expected to be submitted to parliament next year.

In the following debate, many questions were asked on the partial withdrawal of Soviet troops temporarily stationed in Hungary. Mr Karpati said that the decision was coordinated in advance by the Warsaw Treaty member states on a high level. With respect to the degree, the reduction with Hungary is some 25 per cent, which is to be carried out over the next two year. The Soviet units to be withdrawn will not, under any circumstance, be replaced by Hungarian troops, and therefore defence expenditures will not be increased. The Ministry of Defence are to be responsible for the utilization of the barracks and other facilities to be vacated in the given time.

In answer to a question on the degree of Hungary's contribution to the maintenance of the Soviet troops, the minister of defence said that Hungary has no financial obligations. The value of goods delivered for the supply of the troops, and the services they itilize is refunded as for exports.

Gyula Horn Assesses Impact

LD0812203788 Budapest Television Service in Hungarian 1830 GMT 8 Dec 88

[Interview with State Secretary for Foreign Affairs Gyula Horn by unidentified presenter]

[Text] [Presenter] Gorbachev's UN speech contained many important and interesting foreign political statements, some of which affect us, Hungarians, particularly closely. Our guest is State Secretary for Foreign Affairs Gyula Horn. I think the most important question is the announcement by Gorbachev relating to Soviet force reductions. Does this provide Hungarian foreign policy with a greater scope for maneuvers?

[Horn] Yes, certainly. After all, this is the first time in decades that the Soviet Union has undertaken a unilateral obligation, a gesture, for a significant reduction in its

conventional forces. This is the first time this has happened in 40 years. This is very important also from the aspect that when nuclear disarmament was discussed, the West always put it as a demand that the number of nuclear bombs, the number of missiles, could not be reduced without reducing the quantitative advantage of the Warsaw Pact in the conventional weapon sphere. This announcement by Gorbachev creates an entirely new situation from this point of view, in my judgement. It also creates an entirely new negotiating position in the conventional weapons sphere. Because on a whole range of issues, reducing the number of troops concentrated in Central Europe, or the Soviet forces in the Western parts of the Soviet Union, or in Mongolia, along the Soviet-Chinese border—all these significantly change the negotiating position. It is obvious that this will make our situation significantly easier as well.

[Presenter] It has also evoked great interest in that, according to Gorbachev's announcement, more and more capacity, energy and, I should think, brains, will be transferred from the military industry to peaceful, civilian production. How far will this provide an example for the other socialist countries?

[Horn] This is an old problem, from two aspects. One of these is that it is in the fundamental interest of all of us to reduce military expenditures. This is very closely connected with the economy. Thus, if military production drops as a proportion of industrial production in the economy, this eases our situation greatly. Second, what is also very important is that the scientific-technical achievements in the military sphere must be used as soon as possible in civilian life. Thus, in this sense everything that represents an advance in this sphere in the Soviet Union, eases our situation greatly as well.

Kotai 'Welcomes' Initiative

LD0812201088 Budapest MTI In English 1816 GMT 8 Dec 88

[Text] Budapest, December 8 (MTI)—The large-scale, unilateral Soviet arms restriction measures announced by Mikhail Gorbachev at the U.N. General Assembly were discussed by Geza Kotai, head of the Foreign Affairs Department of the Hungarian Socialist Workers' Party Central Committee, in an interview with MTI.

'The unilateral Soviet Armed Forces and arms reduction is a major stop in the practical implementation of the new Soviet foreign political policy, and part of the new Soviet security policy conception. It reflects the political intention to break down the former picture of the enemy, and to create a new, constructive partner picture on the global scale and particularly in Europe.

'Alongside its political importance, the military aspects of the announcement are also considerable as, in totality, they reduce the number of the Soviet Army by 500,000. This is of considerable importance from the aspect of intensifying European peace and security, and the further strengthening of confidence between the European countries.

'We welcome this Soviet initiative as Hungary is interested in being a participant already of the first stage of reductions, as was stressed by Karoly Grosz, the general secretary of our party on several occasions. Hungarian foreign policy, continuously consulting with the member states of the Warsaw Treaty and mainly with its most important ally, the Soviet Union, has endeavoured for a long time to moderate European opposition, and to reduce arms and armed forces. In this respect, we ourselves have made several practical initiatives within our alliance system.

'The reduction to be realized continuously over two years considerably affects the units of the Soviet Southern Army Group stationed in the GDR, Czechoslovakia and in our country. According to the published data, 50,000 Soviet troops, 5,000 tanks, furthermore artillery guns and battle machines are to be withdrawn from these three member states of the Warsaw Treaty. It is obvious that the member states of the Warsaw Treaty have already coordinated the fundamental conception. However, further consultations will be held with respect to the detailed time-table, the means of implementation and other data.

'We hope that the NATO member states, our Western European partners will suitably evaluate this unilateral Soviet step, and that they also will take actions in the interest that the asymmetries that came into existence in Europe historically be eliminated as soon as possible, with reciprocally taken unilateral steps', Mr Kotai stressed in the interview with MTI.

Pozsgay on Significance of Speech

LD0812165188 Budapest MTI in English 1540 GMT 8 Dec 88

[Text] Budapest, December 8 (MTI)—'Austria-Hungry - example of a neighbourhood in Europe'. This is the title of a two-day Hungaro-Austrian symposium that opened in Budapest on Thursday.

The event, co-hosted by the Budapest Austrian Cultural Centre and the Hungarian Academy of Sciences, was addressed by Imre Pozsgay, minister of state and member of the Political Committee of the HSWP. In his address, entitled 'Hungry at the end of the 20th century', he gave an account of Hungarian political and eocnomic endeavours. The lectures on the first day of the conference will be given by Dr Heinrich Neisser, minister of the Federal Chancellery, and several Hungarian university professors. Tomorrow, the conference will continue with a debate featuring the following university teachers:

Dr Zdenek Mlynar (Austria), Antonin Liehm (France),, Dr Viktor Meier (Switzerland), Aleksander Gieysztor (Poland), Dejan Medakovic (Yugoslavia) and Paolo Santarcangei (Italy).

In his address, Mr Pozsgay said that the unity of central Europeanism and pan-Europeanism was the common heritage of Hungary and Austria, which enabled the two peoples to do away with separatedness and the 'logic of blocs', and it also provided the basis for dialogue. Following the Second World War, Hungary adopted a programme of modernization and catching up, which was still not complete in 1988. As regards the past 40 years, not only the results had to be looked at, including the abolition of the old social structure, but also the mistakes, which had to be eradicated.

'Mr Gorbachev's speech in New York yesterday gives tremendous support to what I am talking about. I think the underlying significance of the announcement lies not in the disarmament gestures, though their importance is great, but in the fact that it worded the new strategy and philosophy of international coexistence'.

The turnabout in Hungary in May, said Mr Pozsgay, made it clear that without political reform, economic reform could not be implemented, and the rise of the nation reached. Starting from this recognition, the Hungarian Government worked out new bills and legal regulations. A new constitution was needed, providing safeguards for human rights. Social institutions had to be established on the principle of power-division which safeguard the rights of citizens.

In future the scope of the state's activity will be confined to the service of the public making use of state ownership.

The crisis in Hungary is largely due to the past's obsolete model which brought about a fall in productivity, did not enable the use of technical and scientific achievements, and curtailed the direct domestic market contacts between producers and customers to a minimum which led to producers losing interest in production.

In conclusion Imre Pozsgay pointed out that 'the political and economic reform currently underway in Hungary is linked to Austria in so far as we are searching for new forms of cooperation with which we can join the common European institutions.'

Tatai Heads Official Delegation to Greece

LD0812220088 Budapest MTI in English
1736 GMT 8 Dec 88

[Text] Athens, December 8 (MTI)—The Hungarian Week programme has opened in Athens. On the occasion, a Hungarian delegation left for Greece under the leadership of Ilona Tatai, member of the political committee of the Hungarian Socialist Workers' Party and vice-president of the Hungarian Chamber of Commerce.

In her speech at the opening of the programme, Ms Tatai stressed the openness of Hungarian economy, the turn towards the external market, and the aim of creating a socialist market economy. She stressed that the law on business associations improves the conditions of capital investment in Hungary for foreigners, including Greek entrepreneurs.

Welcoming speeches were also delivered at the opening by Greek Minister of Commerce Nikos Akritidhis, and Andreas Kiriazis, chairman of the Chamber of Commerce and Industry of Athens.

Thirty Hungarian companies are presenting their products, with the aim of concluding deals, industrial cooperations, or setting up joint ventures. A series of Hungarian lectures will also be held in Salonika, the centre of the northern Greek industrial region.

Following her arrival, Ms Tatai held talks with Greek Minister of Commerce Nikos Akritidhis, and with Yiannis Papandoniou, state secretary of the Ministry of National Economy, who is also the co-chairman of the Hungarian-Greek Technical, Scientific and Economic Cooperation Joint Commission.

Szuros Returns After Talks in Cyprus

LD0812235188 Budapest MTI in English
2156 GMT 8 Dec 88

[Text] Budapest, December 8 (MTI)—On the last day of his visit to Cyprus, Matyas Szuros, secretary of the Hungarian Socialist Workers' Party Central Committee and chairman of the Foreign Affairs committee of the Hungarian National assembly, held talks with George Khristovoulidhis, member of the political committee of the Progressive Party of the Working People (AKEL) of Cyprus and secretary of the Central Committee, and with the mayor of Larnaca and other leaders of the county party committee.

The Hungarian party delegation led by Matyas Szuros returned to Budapest on Thursday evening.

Paris Paper Reports on Opposition Groups

PM2211083288 Paris LE MONDE in French
17 Nov 88 pp 1,6

[Sylvie Kauffmann dispatch: "The Perilous Hungarian Transition"]

[Text] On 22 April 1988, the young Viktor Orban, a Hungarian student, was summoned by the Budapest prosecuting attorney's department, where he was threatened with prosecution for conspiracy against the state if he continued his activities as leader of the Union of Young Democrats [FIDESZ]—an independent movement which he had just founded with around 30 other young people.

The same day, the police searched the homes of several of these young democrats and seized documents.

Some 6 months later, Viktor was doing his military service in a provincial barracks. One morning, the colonel summoned him: Take the train for Budapest, he told him, you are expected to speak there. Who was waiting for Viktor so eagerly as to obtain leave for him? It was quite simply politics, which now seems to have full rights in Hungary. MOZGO VILAG, a magazine with a very rebellious tone, was organizing a roundtable to which a party representative was invited (the head of the Central Committee propaganda department), and also a representative from the government (Deputy Prime Minister Peter Medgyessy), a representative of the Democratic Forum, the opposition movement (Professor Mihaly Bihari) and a FIDESZ representative.

FIDESZ thought that the most appropriate person to represent it would be Viktor Orban, who was unfortunately serving in the army. However, that did not matters, he was temporarily released to come and have discussions with these top state and party officials.

Like the authorities' attitude to Viktor Orban, the atmosphere has changed greatly in Hungary since 22 April. The MSZMP national conference which took place at the end of May was a decisive turning point in the country's political life, deciding on Janos Kadar's departure after 30 years in power, and his replacement as party leader by a much younger man but one about whom people had some reservations: 58-year old Karoly Grosz was not regarded as soft.

He is still not soft, but in 6 months he has managed to impart a new style to the Hungarian leadership in his own way—that of a powerful man, energetic and quick but rather stiff and humorless—and has given new impetus to the MSZMP, which was as worn out as Janos Kadar. What has he done? Not a great deal in practical terms. Aside from the law on the enterprise adopted in September which will enable private entrepreneurs to employ up to 500 people from 1 January 1989, no law has yet officially consolidated the current liberalization process.

But there is undoubtedly an atmosphere of openness in Budapest which can be seen essentially in the press, which was closely controlled under Kadar, and in the form of independent political opposition movements. These movements, which were formed before the end of Kadar's rule, but were not readily tolerated then, are now respectable—some even have their own organ, sold on the newsstands—publish communiques in NEPSZABADSAG, the MSZMP newspaper, and are very openly active. Some of their representatives have close links with prominent reformers in the single party. Rezso Nyers, a Politburo member, father of the 1968 Hungarian economic reform, is even a member of one of those movements, the New March Front. Others, like the FIDESZ or the recent Alliance for Democracy, are more radical and more on the fringes.

The Rules of the Game

As a good scientist, Mihaly Bihari, professor of political science at Budapest University, who was expelled from the party in April for attending Democratic Forum meetings, calls them "units." "All these units," he remarked, "exist legally. There is no registration procedure and no formal rules." Not yet: "We are busy drawing up the rules of the game," an official from the Central Committee propaganda department warned last week. Some of them, like the draft electoral law, do not bode well, and this is generating a widespread feeling of uncertainty. Meanwhile, Mr Bihari, who openly belongs to three "units" at the same time (the Democratic Forum, the New March Front, and the Glasnost Club) admits that these movements' open activity has created a situation which is unique in socialist Europe. And two independent trade unions, the research workers' union and the moviemakers' union, are operating.

Will Hungary be the first country in "this part of Europe" to establish a truly multiparty system? Many intellectuals think that this outcome is inevitable. The leaders of the reformist faction in the party share that view. Mr Imre Pozsgay, number two in the government, who entered the Politburo in May, openly says this. Rezso Nyers, his colleague and friend, calmly admitted: "I think that this will happen one day. The question is when. At present political conditions in Hungary are not favorable. But, even with one party, we must create an atmosphere of political pluralism with alternative organizations. A transitional period is desirable. But, if the situation requires it, we must be prepared to accept a multiparty system."

Of course, not everybody in the Politburo has such an advanced view. Mr Grosz makes no secret of his reservations, and Janos Berecz, who has gained a strong reputation as the guardian of orthodoxy, is willing to discuss pluralism, but within the framework of the one-party system. Everybody in Budapest knows this, especially Justice Minister Kalman Kulcsar, who caused a stir last week by announcing that the bill on associations would authorize the creation of political parties. Inundated with questions, Mr Kulcsar later admitted that a great deal still had to be done before this is achieved, if only in terms of procedure. Moreover, according to him, the independent organizations are not yet ready; they need time, as least as much as the authorities. The final criterion for authorizing a party should be respect for the Constitution.

For the time being, the Communist Party's leadership role is enshrined in the Hungarian Constitution, and the reform of the Constitution is not scheduled until 1990.

The year 1990 is also to be the year in which parliamentary elections are held and in which the MSZMP congress is held. This short deadline seems to suit opposition strategists like Professor Bihari: "Putting forward election candidates will be a problem in 2 years' time," he said. "We can wait." "We want to maintain this freshness, this burgeoning which is starting in our political life," a party official added. "If we do everything immediately, we are likely to destroy that."

Conformism

Mr Nyers hopes that a "consensus" capable of uniting Hungarian society will be found "in 3 or 4 years." But the risks of destabilization between now and then are great, especially because of the fragile nature of the Hungarian economy which is deeply in debt. "If the economic and financial stabilization fails," he said, "political instability will become permanent, and a crisis of values will become very acute. We are now observing great confusion in ordinary people, because unprecedented things are happening and they basically attach great importance to socialism's principles. This is probably out of security and conformism. Of course, it is not unqualified support. But, in some respects, the masses almost seem to want to regress." Mr Nyers thinks that this gap between the masses' conservatism and the leadership's reformism "is fairly dramatic."

"The old regime is no longer strong enough, but the new one is not ready," one intellectual said, while a party official said he had confidence in the "new generation of cadres aged between 30 and 40, who are beginning to make their voice heard and, in 3 years' time, will be mature politicians." They will be ready to implement a program based on "economic liberalism, openness in foreign policy, and pluralism in internal policy."

But, the transitional period is a dangerous period. "If the country becomes insolvent," this official continued, "the Western banks will not give us any more credit. However, the Hungarian economy is not viable without Western imports. Enterprises will have to close, the standard of living will drop by 30 percent. That will produce a real crisis. And our problem will then no longer be the question of a multiparty system but survival." For the current leaders, there is also a risk of seeing the difficulties of exercising power exacerbating their disagreements and rivalry to the point of curbing the implementation of the reform. Mr Pozsgay, whose reputation among young people and intellectuals has been tarnished since he had to support unpopular stances, probably knows something about that.

That leaves the Soviet dimension. The Hungarian leaders make no secret of the fact that they currently have more in common with Moscow than with East Berlin, for instance. But the last meeting of the Warsaw Pact Military Council in Budapest in early October also reminded them, if there was any need to do so, what limits could not be crossed: the Pact's military leaders were anxious to know whether Hungary had "enough political stability" to fulfill its military commitments within the socialist camp. "We told them we did and that stability does not mean stagnation" one member of Mr Grosz' entourage said. Fortunately, "military questions are not just dependent on the military, they are also the province of politicians. So, this does not worry us too much."

Lukacs-Led Delegation Holds Talks in Uruguay

LD0812235088 Budapest MTI in English 2143 GMT 8 Dec 8

[Text] Montevideo, December 8 (MTI)—The delegation of the Hungarian Socialist Workers' Party, which is attending the 21st congress of the Communist Party of Uruguay under the leadership of Janos Lukacs, member of the HSWP Political Committee and secretary of the Central Committee, held talks in Montevideo with Liber Seregni, president of the Frente Amplio [Broad Front], Flores Silva, senator of the governing Colorado Party, and with leaders of the opposition Blanco Party, and the Political Organization party for the people's government.

Mr Lukacs gave a brief on the Hungarian reform processes and the renewal efforts of the HSWP, and was informed about the home political situation of Uruguay, with particular attention to the presidential and parliamentary elections scheduled for next year.

Mr Lukacs met with representatives of Hungarian emigration living in Uruguay in the Montevideo Embassy of the Hungarian People's Republic.

Draft Constitution Released for Discussion

LD0812152188 Budapest Domestic Service in Hungarian 1100 GMT 8 Dec 88

[Text] Prior to the social debate, journalists today received copies of the new draft constitution. A press briefing was held in the Ministry of Justice. Zsuzsa Szikra reports.

[Szikra] Our best legal experts have been working for years on the preparation of a new constitution. The sole reason for you not having learned any details is that this had to be done in secret, namely under higher—and this must be understood as the highest—party instructions. Geza Kilenyi does not know to this very day why there could be no talk about this. Today, as deputy minister of justice, he finally spoke about the task; but it is a fact that this is how it was. Of course, they knew even then that this was a case of stupidity, if for no reason other than that in the meantime circles considered to be in the opposition were distributing in samizdats views pertaining to the renewal of the constitution. Furthermore, enquiring people could learn from Radio Free Europe that research was in progress in official places, too.

Naturally, it was not possible to convince those who decided on the secrecy of the research of the stupidity of this, since at that time the environment for suitable discussion was absent. Thus, there remained the ban and the illegal work [as heard].

The draft of the new constitution, which was compiled on the basis of several years' work by 12 committees, regulates the fundamental issues in much greater detail than the old one; not only in greater detail, but in another manner, as well. This draft, for example, states that the party is society's leading force, not because the constitution declares this, but because the party is becoming more and more politicizing.

Then, human and civic rights are listed in detail. Accoridng to plans, the function of president of the Republic, a supreme auditing office, and a constitutional court will be created, and a citizens' rights spokesman can also function. The organization of the National Assembly, and naturally the election system, may be transformed. These are the most important proposals.

You will be able to get acquainted with the details in the real social debate. Geza Kilenyi, deputy minister of justice, also said that this draft can be debated in its entirety and in detail by anyone. And he added something else: He personally accepts responsibility for every detail and the entirety of the draft. He can do so with a clear conscience, because in the course of drawing it up, he was not given instructions by either representatives of the party or by others. Therefore, he acted according to his knowledge and decency as a legal expert and as a person.

Dismissal of Deputy Sought Over Barrage Issue

LD0812171088 Budapest Domestic Service in Hungarian 1500 GMT 8 Dec 88

[Text] In Jozsefvaros [a district of Budapest] a collection of signatures has started for the dismissal of Miklos Vida, the deputy president of the National Assembly and the constituency's deputy. He was among those who, at the autumn session of the National Assembly, had proposed ordering a closed session to discuss the matter of the Gabcikovo-Nagymaros water barrage. Two members of the Federation of Young Democrats, which has initiated the action for his dismissal, Attila Begany and Tamas Wachsler, said that a proportion of the signatories wish to withdraw confidence from Miklos Vida, who is also a member of the Presidential Council, because of the outcome of the vote connected with the water barrage, while another proportion wishes to do so because of the proposal for a closed session. In Jozsefvaros 1,600 signatures are needed to be able to submit the proposal for dismissal. So far the document has been signed by 1,200 people. In Hungary there has been no precedent for the dismissal of a National Assembly deputy since 1949, but in recent weeks several such initiatives have been launched in Budapest and the provinces.

Nyers Comments on Szakasits' Political Ideas

LD0612133288 Budapest Domestic Service in Hungarian 1100 GMT 6 Dec 88

[Text] A statue preserves the memory of Arpad Szakasits. The social democratic politican and later minister of state and president of the Republic, would now be 100 years old. In Budapest, at the corner of the street bearing his name and Teteny Road, Rezso Nyers, member of the Politburo and minister of state, praised the work of Arpad Szakasits. My colleague, Gabriella Szilagyi, asked Rezso Nyers why Arpad Szakasits' way of thinking and political conception is topical at present:

[Begin recording] [Nyers] The memory of Arpad Szakasits is alive, because the political direction he represented, from the viewpoint of a modern workers' party, a unified workers' party, and a modern socialism, is alive. It can be said that the political work which Arpad Szakasits began to build together with others, has not yet been completed. That is what makes it topical, as does the fact that both great historical branches of the Hungarian workers' movement, the Social Democratic movement and the Communist movement, had their own truth. A true unity was only conceivable if the values of both movements were amalgamated in a modern, socialist workers' party. Well, the building of this is still taking place now, and it must take place in the future, too.

[Szilagyi] In your speech you mentioned that Arpad Szakasits also wanted to build a bridge between the East and West. That is our objective now.

[Nyers] That is also topical, since Hungary's fate is being a connecting link in Europe, between Europe's two cultural and historical parts. The better able we are to accomplish this task levied on us by our situation and history, the more we shall prosper as a nation. [end recording]

Foreign Minister Statement on Gorbachev Remarks
LD0812190388 Warsaw PAP in English
1810 GMT 8 Dec 88

[Text] Warsaw, Dec 8—In connection with an address delivered by Mikhail Gorbachev at the 43rd session of the U.N. General Assembly, Poland's Foreign Minister Tadeusz Olechowski has granted the following statement to the POLISH PRESS AGENCY:

Poland welcomed with immense interest and appreciation the bold and far-reaching decisions and proposals concerning the issues of peace, security, disarmament and international cooperation forwarded by Mikhail Gorbachev at the U.N. forum.

The Soviet Union's unilateral reduction in the manpower of its Armed Forces by half a million soldiers in the coming two years, withdrawal of a considerable number of military units with equipment and weapons from the territories of the GDR, Czechoslovakia and Hungary, the giving of the unequivocally defensive character to the structure of the units remaining there as well as the announced reductions in armed forces and arms in the European part of the Soviet Union will make an essential contribution to the process of weakening the threat of military confrontation on our continent, including in particular central Europe—the area to which the Jaruzelski Plan refers. This is of fundamental importance for our country's security.

I am deeply convinced that the Soviet decisions will give a very important stimulus to negotiations between 23 Warsaw Treaty and NATO states on reduction of armed forces and conventional armaments in Europe, to start in Vienna shortly.

We also appreciate the willingness to continue dialogue with the United States in the spirit of realism and openness on all key international issues, as manifested by the Soviet leader.

We attach particular importance to proposals on further advancement of multilateral dialogue on the ways to solve the debt crisis, including consultations between heads of governments of debtor and creditor countries held under the U.N. auspices.

The fact that the U.N. General Assembly was chosen as the forum for the presentation of new decisions and initiatives convincingly proves the significance attributed by the Soviet Union to this organization as concerns solving the most important problems of contemporary world.

The essence of Gorbachev's address is another practical manifestation of the new thinking in the foreign policy pursued by the Soviet Union. The ideas of demilitarization of international relations, making relations between states less based on ideological foundations, philosophy of interdependence of the world and supremacy of common interests of humanity over narrow interests are in tune with the interests of the entire international community.

Poland will continue to spare no efforts so that these ideas could be ever more widely manifested in the practice of international life. They are in line with our vivid interests and the Polish reason of state. We will actively promote their full implementation.

Armenian Earthquake Felt in Krakow
LD0812175788 Warsaw PAP in English
1602 GMT 8 Dec 88

[Text] Warsaw, Dec. 8—Yesterday's powerful earthquake which hit vast areas of the Soviet Union, Turkey and Iran was also recorded in Poland.

The first seismic wave reached Krakow, southern Poland, after 4 min and 26 sec since the preliminary tremor. According to Polish experts the epicentre was 2,100 km away from the Polish city while magnitude of oscillations corresponded to at least 6.2-7 degrees of the Richter scale, head of the Pan Polish Academy of Sciences Seismological Observatory in Krakow Maciej Mazur said.

The waves were also recorded in Warsaw. The work is under way on analysing the data obtained by Warsaw seismographs, Mazur stated.

Relief for Armenia Victims Organized
LD0812233188 Warsaw PAP in English
2240 GMT 8 Dec 88

[Text] Warsaw, Dec. 8—Numerous persons and organizations from all over Poland declare, issue declarations on aid for Armenia and express their sympathy for the victims of the tragic earthquake.

Members of the Socialist Union of Polish Youth (SZMP) offered to send youth brigades, doctors and experts to the affected areas. The ZSMP main board appealed to Polish youth and all the people of good will to offer assistance for Armenians.

The Polish Red Cross organization (PCK) sent to Armenia words of sympathy and declared its help. The Polish Committee for Cooperation with UNICEF is sending a provisional aid for Armenian children, of 10 million zlotys' worth.

The whole profit of the UNICEF gala concert which is to take place here on Saturday, is also earmarked for purchase of medicines and clothes.

The Wroclaw PCK division is already sending to Armenia warm blankets and bed linen. From the early morning, numerous persons in Wroclaw have been donating blood for the victims of the disaster.

Sejm Delegation Meets Ankara Counterparts

LD0512212988 Warsaw PAP in English
2013 GMT 5 Dec 88

[By PAP special correspondent Maurycy Kamieniecki]

[Text] Ankara, Dec. 5—A delegation of the Sejm (Polish parliament) headed by Sejm speaker Roman Malinowski, paying an official visit to Turkey, held talks today at the Turkish parliament and met with Prime Minister Turgut Ozal and Minister of Foreign Affairs Mesut Yilmaz.

The delegation also laid flowers on the grave of Kemal Ataturk and toured the nearby museum devoted to Ataturk, the first president of the Turkish Republic.

At the seat of the National Assembly, the delegation was greeted by President of the National Assembly Yildirim Akbulut who stressed the benefits ensuring from the consolidation of parliamentary relations. He also stated that there are no political problems between the two countries and that the continuation of economic and cultural cooperation wil be mutually beneficial.

Roman Malinowski pointed to the influence of parliamentary relations on Polish-Turkish relations, including the overcoming of the hitherto lack of balance between economic or cultural relations and the political dialogue.

In the opinion of the Sejm speaker, it would be advisable to seek new forms of cooperation. Possible meetings of chairmen of committees of both parliaments could create impulses for such cooperation.

The sides also touched upon the conference of presidents of parliaments of Europe, the U.S. and Canada which recently ended in Warsaw, Yildrim Akbulut expressed a conviction that it was a beginning of international contacts of parliaments of such kind and that it would be continued. Among the topics of the next such conference he mentioned issues of securing peace, European unity and environmental protection.

Roman Malinowski announced that the so-called "seven"—the conference initiative group including the representatives of parliaments of the GDR, the FRG, Austria, Finland, Italy, France and the parliamentary assembly of the Council of Europe will be presented with a proposal to jointly analyze the motions and proposals forwarded at the conference, to preliminarily discuss the matter of the next conference of presidents of parliaments as well as multilateral meetings of representatives of various parliamentary committees with a view to discussing concrete domains, such as, for instance, ecology.

In the course of the talk it was announced that the Polish-Turkish and Turkish-Poland parliamentary groups will be set up both in the Sejm and in the National Assembly. Roman Malinowski invited Yildrim Akbulut to pay a visit to Poland.

In the evening the Sejm delegation was received by Premier Turgut Ozal. Also present was Foreign Affairs Minister of Turkey Mesut Yilmaz. In the discussion, which proceeded in a friendly atmosphere, Speaker Malinowski and Premier Ozal touched upon some aspects of the further development of Polish-Turkish relations and possibilities of cooperation, among others, the functioning of the Polish-Turkish mixed commission.

The sides tackled the matter of the exchange of state visits. The foreign affairs minister confirmed a will to visit Poland next year. The Sejm speaker renewed an invitation for the premier to visit Poland. The invitation was accepted with satisfaction.

Urban on Recognizing Solidarity, Soviet Proposal

AU0912092488 Rome ANSA in English
0818 GMT 9 Dec 88

[Text] (ANSA) Rome [no date as received] —The Polish Government is ready to recognise the banned Solidarnosc trade union as a labour movement, but not a political one, Polish Government Spokesman Jerzy Urban said here on Thursday.

Urban, who is in Italy on a two-day visit and tomorrow meets with Italian Foreign Ministry Secretary General Bruno Bottai, went on to add that "political activity must be carried out in the framework of political life and union activity must be carried out in the framework of union life".

The Polish Government spokesman went on to affirm that Solidarnosc "does not directly threaten the government nor does it have the material strength to do so" adding that between the Warsaw government and the independent union movement "there still exist difference of opinion" blocking direct, constructive dialogue.

Commenting on Wednesday's announcement by Kremlin Leader Mikhail Gorbachev, before the United Nations General Assembly in New York, that the Soviet Union intended to withdraw some fifty thousand troops from East Germany, Hungary and Czechoslovakia, over the next two years, Urban said "the Soviet contingent in Poland is not very large and is mainly defensive. Thus this announcement has little to do with us".

"For the moment" he concluded, "we await bilateral negotiation to reduce conventional forces".

Former Solidarity Leaders on Walesa TV Debate
LD0812153988 Warsaw PAP in English 1445 GMT 8 Dec 88

[Text] Warsaw, Dec. 8—In his interview for the Voice of America aired Dec. 6, one of the former leaders of Solidarnosc, Andrzej Gwiazda violently attacked Lech Walesa branding the latter's declarations voiced during the television debate with Alfred Miodowicz as 'a deep step backwards.'

Gwiazda charged Walesa with tractability towards authorities and reproached him that only a few months earlier taking part in a TV programme was regarded as 'disgrace.' Gwiazda believes that 'at the cost of reaching some kind of agreement with authorities,' Walesa is ready to 'persuade society into further sacrifices, into accepting the further lowering of the standard of living without protest.'

At the same time, in Gwiazda's opinion, Walesa and the National Executive Committee KKW prepare splitting Solidarnosc into'400,000 factory unions' on which it will be impossible to pin any hopes.

While assuming an attitude towards this statement, Lech Walesa's adviser Janusz Onyszkiewicz speaking in VOA on the same day said: 'One should not pretend that nothing has changed over the seven years: that there are no new leaders who are very dynamic and popular in their milieus while some historic leaders of Solidarnosc somehow did not know how to join in the stream of union life.'

Let us recall that in the elections for Solidarnosc chairman held in October 1981, Gwiazda got 74 votes while 462 were cast for Walesa.

Bishops Rap Government on Shipyard, Roundtable
AU0712121688 Warsaw PRZEGLAD KATOLICKI in Polish 27 Nov 88 pp 1, 2

["Statement by the Secretariat of the Polish Episcopate"]

[Text] The Polish bishops have stressed many times in their public statements, especially in recent years, that they are concerned with the country's social, economic, and political situation, which affects the life and work of all of society, as well as with the condition of the state, which is the joint asset of all Poles. The bishops are shepherds of the church and sons of Poland at the same time. Therefore they cannot remain indifferent to Poland's fortunes.

Our state, which regained its independence 70 years ago, has been shaken by social unrest many times since World War II. History clearly tells us that a ruling political camp is incapable of solving the country's burning problems without society's broad participation. Hence the need for profound sociopolitical and economic reforms, which must fit within the framework of the moral order that guarantees a respect of the rights of individuals, families, and social groups.

In April, May, August, and September of this year, our country experienced a wave of strikes which showed that society is dissatisfied with the country's economy and with the way in which the country is run. Following the August strikes, major hopes were aroused by the idea of holding a "roundtable," an initiative involving broad political openness. Measures to safeguard domestic calm encountered broad support from society and from the church, as evidenced by the communique from the 230 plenary episcopal conference on 5-6 October 1988. At that conference, the bishops expressed their conviction that working people's rights, especially the rights of workers and farmers, to have suitable trade unions according to their own choice would be guaranteed. The bishops also said that an accord on basic values should provide the basis for a fundamental reform to the state, its structures, and the national economy. The possibility for an early start to the "roundtable" talks between representatives of society and representatives of the authorities has been running into trouble. The propaganda campaign against social pluralism, especially trade union pluralism, has not provided a climate conducive to these talks. Neither has the failure to reach any agreement to end the persecution of those who took part in this year's strikes, especially in Silesia, or to give them back their jobs. This undermines the credibility of the state authorities and the prestige of church people, to whom a non-application of intimidation at work and outside work was guaranteed.

It is not the church's business to encroach on matters that are purely economic. Nevertheless, this sphere cannot be free of moral assessment. This is the angle from which one should also view the government's decision to close the Gdansk shipyard. This is a political act which does not encourage accord. Here it is worth referring to the Constitution of the Second Vatican Council "Gaudium et Spes," in which we read: "While taking into account the tasks of directors and workers, and at the same time safeguarding the unity that is essential in order to run a whole enterprise, one should at the same time support by suitable means everyone's active participation in running the enterprise. Because economic matters, on which the fate of workers and their children depends, are frequently settled not in an enterprise itself, but above it, in a higher body, it is necessary that workers themselves have a say in the settlement of these matters, either personally or via freely-elected representatives." The government's decision does not conform to this mode of conduct.

The Gdansk shipyard is a work place where the sovereignty of the workers, the sovereignty of society, and solidarity of action in the face of a growing crisis have been objectives of struggle for many years. The government's decision fails to recognize this sovereignty. This

decision has also led to the halting of the "roundtable" talks and to the blocking of an emerging accord among Poles in the face of various dangers.

The church calls upon the state authorities to implement the economic reforms parallel to political reforms, so that working people may be encouraged to take part in the implementation thereof.

The 70th anniversary of the regaining of our independence should be a call for all Poles to unite. For this reason, it is essential to have further talks and avoid actions which make dialogue with society difficult.

Archbishop Bronislaw Dabrowski, secretary of the Polish Episcopate; Warsaw, 12 November 1988.

Rakowski Interviewed on Changes in Socialism

PM0612091488 Rome LA REPUBBLICA in Italian 4-5 Nov 88 p 4

[Interview with Polish Prime Minister Mieczyslaw Rakowski by Andrea Tarquini in Warsaw; date not given]

[Excerpts] Warsaw—"From Warsaw to the Caucasus and from Budapest to Tallinn and Beijing, socialism is being shaken to its very roots. Between now and 1992 and the EEC without borders, we will see major changes, even violent changes. Everywhere in this part of the world, the events in Yerevan will increasingly become the everyday norm. You ask me whether our reforms are not too little too late. Alas, I cannot rule it out. However, even if they were too late we would have no other choice. History has brought socialism to this crisis point. This extraordinary change must be approached very calmly." An imposing 18th century grandfather clock had just chimed midday, and the Polish prime minister's large drawing room was lit by the pale sunlight, which barely warmed Warsaw, filtering through the tall windows overlooking Lazienki Park. Mieczyslaw Rakowski, in a dark suit and Italian tie, had just arrived from a meeting with the general. He weighed his words carefully, alternating, as usual, between Polish, German, and English. The man has not changed but his shoulders now bear a burden sufficient to cause many statesmen to stagger—the leadership of a government determined to take on perhaps an impossible challenge, namely, to salvage a wrecked economy without negotiating with an opposition called Solidarity. Here is our interview:

[Tarquini] Prime Minister, do you mean that if the reform has come too late your system is doomed?

[Rakowski] I believe it is going too far to say, as the Italian Communist Party did, that socialism has exhausted its entire propulsive thrust. I would like to say, however, that if the reforms come, or act, too late, then there will be no salvation. In fact I do believe that we are launching these reforms too late—1 minute before the deadline—precisely because for years and years, ever since I opposed the March 1968 repression, I have preached in vain the need to reform socialism. At that time, however, the reformers lacked the strength to impose a political blueprint and there was not enough pressure from society.

[Tarquini] Is a dialogue with Solidarity not essential to the success of the reform?

[Rakowski] Perhaps, some day. At present I consider it impossible. Not because I am opposed to Solidarity in principle, nor because of any "personal hostility" on my part toward some of its leaders, as has been widely asserted. No, those who portray me as an enemy of reforms forget how dearly I paid in the past for having called in vain for reforms. The point is this: I believe that economic reform through a return to the market economy is a priority and that without a foundation of economic prosperity, democracy will be no more than an empty word.

[Tarquini] How will you restore the market economy without pluralism?

[Rakowski] Wait a moment, let us not misunderstand one another. I believe that pluralism is necessary—indispensable, in fact. Let us remember, however, that pluralism does already exist in Poland: Consider the multiplicity of voices in the press, especially the Catholic press, and the elimination of ideological prejudices. The law on associations is being drafted. I do not know whether it will lead to the emergence of parties or of political organizations with some other kind of definition or activity. It is equally true, however, that Solidarity is already a political movement and not a labor union. If it were legalized it would become the party of the dissatisfied and the strikers and would hinder the success of the reform.

[Tarquini] In Hungary Grosz, Nemeth, and Pozsgay are negotiating with the opposition a reform in the direction of pluralism. Why are you keeping the door to dialogue closed?

[Rakowski] I follow the Hungarian comrades' options and endeavors with interest and wish them complete success. We shall see in the future how feasible their splendid theories are. Here in Poland at presesnt the reform needs a democratic but strong government that the opposition cannot hinder during the most difficult years. If the reform is successful it could enlarge consensus as much as the scope for dialogue.

[Tarquini] Would it not be useful, albeit risky, to negotiate immediately with Solidarity, which is offering support in exchange for legality?

[Rakowski] Yes, this is what they say. My answer is this: First, I remember what Mrs Thatcher told me after her meeting with oppositionists at Her Majesty's Embassy. She said: "They are very interesting people but it seems

to me that no convergent stance can be had from them. Second, I am opposed to a political movement that is not a labor union but that goes into factories and that throws the weight of social demands into the political struggle. This is what I fear when I talk about the opposition's obstacles to the reform.

[Tarquini] So are those who accuse you of admiring South Korea correct? Even in Seoul, however, the opposition has entered Parliament....

[Rakowski] Oh, this business about Korea originated from a misunderstanding. It was not I but my friend Daniel Passent (a well-known journalist close to the present leadership—LA REPUBBLICA editor's note) who cited Seoul as an example to show that pluralism does not always go hand in hand with economic progress. The opposition attrributed the idea to me. I simply believe that economic reform is our absolute priority.

[Tarquini] However, you did personally praise Mrs Thatcher in her struggle against the workers. Furthermore the Labor Party is represented in Westminster whereas Solidarity is not represented in the Sejm. Why not?

[Rakowski] Because we cannot risk anarchy now. Perhaps some day it will be represented there, when a party-cum-labor union no longer causes me to run the risk of having to deal with daily clashes in the factories and thus having to neglect the major problems of the reform.

[Tarquini] The opposition leaders object that without an agreement between them and you Solidarity's radical wing will have to follow the dissatisfaction of exasperated workers and will prevail. Is this too not a danger?

[Rakowski] Perhaps they are exaggerating this risk. Having said that, however, it is true that the reforms will have their social costs, some of them considerable. As the economic reform proceeds Poland will increasingly resemble the European countries in this respect too: Social conflicts will become the norm. Strikes will be considered normal and, if legitimate, workers' demands will be met, otherwise unrest could continue until someone winds up the factory.

What about the dissatsfaction of young workers? I do not want to underestimate the problem or to grant too much weight to minorities and agitators. In every society, including the FRG, there are "marginal" groups, and "marginalism" is a normal social phenomenon, in my opinion. However, young workers' dissatisfaction and frustration are entirely justified: They live in the era of mass communications but are forced to live for years in factory hostels before finding a home and marrying. For them too a healthier economy will be the best policy.

[Tarquini] Withough an agreement with Solidarity, will you not find yourself alone in the face of two different adversaries—on the one hand the young workers and on the other the heavy industry and bureacratic apparatus lobby?

[Rakowski] Pardon the comparison, but even Christ had to multiply the loaves and fishes to make people heed his message.... In other words, I repeat, the salvation of the economy is paramount. As for the heavy industry lobby, it is true: This is a serious problem, because the heads of the major enterprises—even those losing money that we want to reform or close down—express and defend their own vested interests. No ideology is strong enough to withstand vested interests when they feel threatened. This is partly why I decided to close down the Lenin shipyards, so that everyone would realize that when I talk about recovery and reform at all costs I am in earnest, that I do not balk at painful decisions. I know that within the ranks of the apparatus the enemies of reform will never openly say that they do not want reforms but will work against them in everyday life, for fear of losing all their certainties. Everyone at every social and political level must accept, for instance, that people must seek jobs and that jobs do not seek people. It could take generations to make everyone realize that jobs, homes, and all assets must be regarded as goods and thererefore not unconditionally guaranteed.

[Tarquini] Without pluralism, does an evolution led by a strong government not risk sparking a revolution?

[Rakowski] History will tell. Reforms need time in order to be thorough and irreversible, and the economy's sickness needs to be remedied quickly. How can our institutional system change overnight? We shall see. I believe it will remain socialist, and perhaps—who knows?—some day there could be two blocs: one the one hand the PZPR and on the other a moderate opposition coalition controlling perhaps 40 percent of the seats.

[Tarquini] The Hungarian leaders say they are willing to tackle free elections and to risk losing them. What about you?

[Rakowski] We shall see how to reform the electoral law adequately. We do not underestimate this system's resources, nor do we have any ideological prejudices. We only say that the system will change profoundly while remaining socialist, however, and that we will oppose anarchy. All reasonable interlocutors will heed me if I say that without a stable Poland there will be no chance either for Europe or for the future reform of socialism. Steadfastness on the part of reforming leaders is a historical necessity because the obstacles to and enemies of reform are too numerous and too varied.

[Tarquini] How do you judge Dubcek's resurgence and his speech to students in Bologna?

[Rakowski] First, I believe Dubcek's resurgence proves my point about how much this world is changing, about how important it is for this change to proceed along the right lines and with people of differing opinions. I considered his speech in Bologna a moderate one.

[Tarquini] Dubcek called on the West to help Gorbachev. What are you asking for from the West and how do you judge the debate in the West between those who say they are willing to grant you help immediately and those who are asking you for political reforms in return?

[Rakowski] I can tell you that I consider Italian statesmen's opinions and options very realistic and that I greatly appreciate them. We have excellent relations with Rome. Considering Western politicians who pursue other options, however, I wonder whether the West has abnandoned what from here appears to be a policy of exerting pressure. If we perceive certain attitudes, such as the desire to dictate conditions to us, it will not help restructuring. I am hoping for some help in our debt negotiations with the Paris Club.

[Tarquini] How many months and years do you hope and believe the Rakowski government will last in Poland?

[Rakowski] What is important is not my personal future but the success of the reforms. This will take some years, 2-4 years. Who can say whether it will happen? You know, there is more than one answer to the question what the socialist world will be like in 1992. [Rakowsaki ends]

This was the end of our interview. Rakowski smiled as he took his leave. He was off to East Berlin, where the Polish, Hungarian, and Soviet reforms are disliked more and more every day.

Rakowski Addresses Rural Youth Union Conference

AU0612102288 Warsaw TRYBUNA LUDU in Polish 2 Dec 88 p 4

[PAP report on speech by Mieczyslaw F. Rakowski, PZPR Politburo member, chairman of the PPR Council of Ministers, and Central Committee secretary, at a conference of the Rural Youth Union held in Warsaw on 1 December]

[Text] Premier Mieczyslaw Rakowski spoke during the session. He said: "Extraordinary events are taking place in today's world: The world is rapidly moving forward and what counts is intelligence and talent. Irrespective of its weaknesses, our social system creates enormous opportunities for activity. We have heard appeals here for the government to take account of the views of young people in its work. We are doing so. I think that we must listen to what we are being told by those who are considered among the most active. We will continue to work in this way. I will do so, and so will my colleagues. I remember that someone once wrote to me in a letter that when his father wanted to know how his bees were he would press his ear against the side of the bee-hive. I think that everyone involved in the government of Poland at whatever level should listen to what people have to say, to their views on decisions made by the government and at other levels of authority.

"We also heard it said today in this hall that young people in the countryside support the policies being implemented by the government that I head. I am very pleased. I am counting on your support and assistance and not just in words, but in the economic activity that you perform. I think that today there is no more important goal than that of invigorating economic life as quickly as possible. We still have enormous reserves in the form of the excessive consumption of energy and raw materials, and work time that is wasted, but the greatest reserves, the main ones, are those that exist in people's minds. I will do everything possible to tap these reserves. All natural resources are finite, but talent, what people possess in their minds, is constantly being reproduced."

The premier then said that draft laws on the launching of economic activity and economic activity involving foreign capital had been submitted to the Sejm and that further draft laws were being prepared. He said that the particularly important ones in this respect are draft laws concerning taxation and fiscal policy, which are almost revolutionary when viewed from the angle of the current fragmented system and mark the opening of a new chapter in economic policy. If these laws, the demonopolization of procurement, the processing of and trade in agricultural produce and foodstuffs, and other legal and organizational moves concerning the functioning of the economy are approved by the Sejm over the next few months, then it will be possible to say that the government has really created conditions for accelerating Poland's economic development. Everything else depends on people, on those who will have an opportunity and the right to exploit the initiatives that they may want to launch in an appropriate way.

The premier said that he was concerned that very bold ideas and solutions come up against a reluctance to be inconvenienced in any way and fears about possible consequences. M. F. Rakowski said: "Quite a few people have adopted the philosophy of leading a very middle-of-the-road life and avoiding risks. There are also people who are afraid of what is still not clear and unambiguous and proceed to don the togas of the guardians of the pure, sacred flame. I think that jointly we will be able to smash and eliminate the obstacles blocking Poland's economic development. If anyone thinks that there is some country in the world that is prepared to shore up our economy with enormous loans, then he is very much mistaken. These are illusions. For many reasons, there is no possibility today of being able to obtain large loans.

"On the other hand, it is possible and necessary to develop economic cooperation between Polish and foreign enterprises. This might also yield billions. What we need is a high degree of activity on our part."

The premier said: "What worries me most of all is what is happening to prices in Poland, in other words, the rate of inflation. This poses the biggest threat to every reform program, especially to radical reforms. Prices are rising, and they often do so to an unjustifiable degree. Many enterprises raise prices solely in order to obtain more money for wages. Wages chase after prices, and prices chase after wages. Our fundamental task is to take steps that will curb inflation. This is today's most important issue, and the most difficult task that we have to accomplish. Inflation destroys reform efforts, destroys the market, and cancels out the need for human effort."

The premier said: "Were it not for the economic situation, I could be pleased to a certain extent, because there has been an important change in society's attitude toward the government. At times I even fear that it may lead some people into a state of complacency. This does not apply to me. I remember the saying about support, popularity being fickle. I will not allow myself to be carried away by even the very best results produced by opinion polls. However, it is a fact that the signs of sympathy registered by the Center for Public Opinion Research show that something important has happened, namely, that there has been a shift in that infamous, apathetic, middle section of public opinion. This applies to the people who were silent for the past 7 years, who did not have any kind of standpoint, and were indifferent toward public affairs.

"The government will support all sectors of the economy. It will create the best possible conditions. We will change the taxation system so that taxes are more rational, do not check the expansion of the economy, and do not stifle the desire to increase what man produces. I think that we will manage to make great progress next year, although this does, of course, depend on the extent to which interest is maintained in public life and economic policy. Of course, I am hoping that the new conditions will make people more enterprising and inventive. Almost everyone wants to leave behind something visible and concrete for those close to him. I am becoming increasingly convinced that we are moving closer to the day when many people in Poland will believe it is worth being active. There are people among the younger generation who say that Poland has no prospects. You have probably noticed those television news reports that give the addresses of places where vacant apartments are waiting for doctors, veterinarians, and teachers. I wonder how long they will stand empty while people complain about having to waiting 20 to 30 years for their own accommodation.

"I think that people create their own prospects by their actions, by their attitude toward life, by setting themselves goals in life. There is no one among us—I am thinking of the government and the leadership of the country—who can create prospects for everyone, no one has the power to do that. Although this might sound banal, each one of us forges his own fate, and each one of us either comes around to accepting things as they are, or decides to do something. This means creating prospects for oneself, prospects for the individual, and, as a result, creating prospects for an entire generation. After all, we are a wealthy country, we have a rich agricultural sector, a great industrial sector, and talented people. I would like to count on you, on your ideas, on your readiness to remove everything that presents an obstacle and holds us back, everything that makes it difficult for the younger generation to be active and dynamic. I want to believe that you will do so. A little energy and boldness is all that is needed. I believe that you possess that, and I would like to be around long enough to be able to say together with you that we have put a stop to the incessant complaining and that we are proud of our achievements. That is what I wish for you and what I wish for myself."

Orzechowski Interviewed on Current Issues

PM0612114688 Paris L'HUMANITE in French 23 Nov 88 p 14

[Interview with PZPR Politburo member Marian Orzechowski by special correspondent in Warsaw Claude Marchand; date not given]

[Text] [Marchand] What is your assessment of the political and social situation following the announcement of the closure of the Gdansk shipyards? Does this decision mean that the government no longer wants the roundtable? Is it still possible to extend the support for the reforms?

[Orzechowski] The understanding cannot be confined to the issue of whether or not the government makes decisions about the existence or closure of the Gdansk shipyards. At the same time, however, the reactions to this decision show that an understanding is not easy. For us it means a compromise entailing all kinds of sacrifices for all the participants in the dialogue.

With regard to the shipyards, the decision is an economic one. Its politicization is the opposition's affair, not the government's. It has caused feelings to become crystallized on both sides. I believe these feelings must subside.

The understanding depends on more deep-rooted causes—the essence of our system, the functioning of our economy, our political system, and society. All this demands a compromise on both sides, without which one side will impose its conditions on the other. The first condition is acceptance of the sociopolitical system built decades ago and, within this framework, implementation of thorough economic, political, and cultural reforms. Thus it will be possible to grant leeway and opportunities to these political forces, which are currently in the opposition but which aspire to jointly negotiated changes.

I am convinced that the coming weeks will bring a solution. The party's stance has not changed: The party still wants the roundtable, as it proposed in August.

[Marchand] You are in charge of preparations for the PZPR's Third National Ideological Conference in January. What needs does it answer to and what are its aims?

[Orzechowski] Since 1980 we have been experiencing a process of economic and political reforms that is creating a new face, a new form of socialism. This prompts doubts, questions, and dilemmas, because some theories formerly considered untouchable are being challenged and new issues are emerging. Let us take the example of the concept of opposition. Some believe that in socialism opposition means creating the dynamite that will blow it up. Indeed for the past 8 years we have coexisted daily with the opposition. This coexistence is not simple. This is why it could perhaps be necessary to seek stable and legally defined forms of coexistence. This demands political pragmatism but also a theoretical outlook, because it is necessary to reconsider what could have been considered correct hitherto. The conference has to answer the following crucial question: What kind of socialism for Poland? The range of questions is huge because it obviously embraces the principal concerns of our regime—ownership, pluralism within socialism, the national understanding, the party....

[Marchand] What, for instance, is meant by the need for the party to limit itself? What are the practical consequences of the relinquishment of the monopoly on wisdom, power, and choice of cadres?

[Orzechowski] As you see, the conference faces a huge task. It is a stage in our theoretical discussions involving representatives of different schools of Marxist thinking, from Professor Adam Schaff to the advocates of conservative thinking. It is an attempt to define what shape Marxism should take in socialist education.

[Marchand] At the present stage in these deliberations, what is the character of this Polish-style socialism?

[Orzechowski] It is a humanistic, democratic, pluralistic, non-statist, and more self-managed socialism. Specific substance must be investigated. A good starting point would be to regard socialism as a stage of development for a more civilized humanity—a stage that does not break with this reality and that embraces the gains in all fields bequeathed by the previous stage and that creates new assets. From this viewpoint it only makes sense if it organizes social life in a more rational and human fashion, if it signifies progress in the fields of freedom and prosperity, and if it can create possibilities for a more effective use of the production forces bequeathed by capitalism and create the conditions for their more rational and rapid development.

Second, neither Marx, Engels, nor Lenin imagined that the creation of socialism should take place in accordance with an ideal model formulated by the leaders. Lenin said that socialism can only be the creation of the mass movement and that its character would be forged by this movement, from experiences, progress, curbs, and setbacks.

I make this point to emphasize two characteristic aspects of the changes in our conception of socialism: 1—Socialism cannot be a gift from the party or even from the working class, but must be the achievement of society. 2—What the party proposes must be based on the principle of confidence in its own class, its social grassroots, and its members.

[Marchand] This undoubtedly entails changes in the party's activity and functioning.

[Orzechowski] Every Stalinist system, the system of centralized and autocratic socialism, was based on the following two principles: The party was the sole source of wisdom and it was impossible to trust anyone outside it, each of whom was its potential adversary. Mistrust of the masses' independent action became the principle behind its activity. This is all changing and we would like to resolve these problems at the 10th plenum, whose theme could be: "The Party Within the Changes and the Changes Within the Party."

As for the party's role, it stems from the significance of socialism: It is both mover and initiator. Its role within democratic and humanistic socialism stems from the fact that the Marxist party represents the historic interests of the working class and that it is the representative of the system, its values, the essence of its social aspirations. However, it no longer has the monopoly on wisdom; it is not isolated and cannot perform this role arbitrarily. The proceedings of the 10th plenum should allow us to make progress in this direction. They will attempt an initial answer to the question: What kind of socialism? They will examine the relationship between the current changes—which prompt so many doubts—and the concept of socialism that we are talking about, as well as the party's place within the changes which it has initiated and behind which it must remain the motive force. An influx of new blood at the highest level is to be expected at the 10th plenum.

Ombudsman Makes Statement on Death Penalty

LD0812161588 Warsaw PAP in English 1040 GMT 8 Dec 88

[Text] Warsaw, Dec 8—The success of Krzysztof Kieslowski's "short film about killing" enlivened the discussion on the death penalty. The Polish ombudsman has issued a statement pertaining to the complaint filed by the founding committee of the public association for abolishment of death penalty.

Analysing the arguments used by the organ of administration to justify its refusal to register the association, the ombudsman questioned the alleged "danger to public security, peace, and order which the creation and activities of the association might bring about."

The ombudsman has also questioned the argument that "the intended association's goals may be pursued through organizations which already exist." The argument is erroneous because, under the law on associations, it is citizens not administration bodies who are to decide on how to implement their goals and intentions.

Prosecutor in Police Indicts 6 for Bus Strike
LD0812233488 Warsaw Domestic Service in Polish 2200 GMT 8 Dec 88

[Text] The regional prosecutor in Police has said that he has sent to the Regional Court in Szczecin an act of indictment against six people, who from the 18 August to the 3 September, directed an illegal strike in the bus and tram depots of the Voivodship Urban Transport Enterprise (WPKM).

Initially, legal proceedings against these persons were discontinued—undertaking such a decision the prosecutor had in mind the voluntary relinquishing of the illegal strike, the good opinion of these persons and their lack of criminal records. The suspects objected to the conditional suspension of the proceedings. The legal consequence of making such an objection is to bring the act of indictment before the court.

People's Council Elects New Voivoda of Torun
AU0912085988 Warsaw TRYBUNA LUDU in Polish 2 Dec 88 p 5

[PAP report: "Stanislaw Rakowicz New Voivoda of Torun"]

[Text] The chairman of the Council of Ministers has accepted Stanislaw Trokowski's resignation from the post of voivoda of Torun for health reasons, and has thanked him for his long years of state service.

The Voivodship People's Council put up two candidates for the vacant post: Wieslaw Korthals and Stanislaw Rakowicz.

Following the result of a vote by secret ballot by the People's Council, the premier duly appointed Stanislaw Rakowicz to be voivoda of Torun.

Stanislaw Rakowicz is 54 years old. He was born in Kotuszow, Tarnobrzeg Voivodship, to a peasant family. He is a doctor of economic sciences. He began professional work in 1956 as an instructor at the district administration of the Union of Polish Teachers in Torun. In 1957, he proceeded to work at the Union of Polish Youth, where he was secretary of the municipal committee. From 1960 to 1962, he was second secretary of the voivodship committee of the Union of Socialist Youth in Bydgoszcz. From 1962 to 1973, he worked in industry in Bydgoszcz Voivodship, where he held responsible managerial posts, including that of deputy director of the "Stomil" plant, director of the Bydgoszcz cable plant, and then, for 2 years, director of the ball-bearing combine in Kielce. In 1975, he returned to Torun and was director of the "Elana" chemical plant until 1981. He also worked on the main board of the Society of Scientific Organization and Management, as well as in the "Interpolcom" Polish-Polonian Chamber of Industry and Trade in Warsaw, where he was assistant secretary general. In 1983, he set up the "Markit" foreign small-scale production enterprise in Torun, of which he was director-plenipotentiary. For many years he was a councilor in the Bydgoszcz Municipal People's Council and Bydgoszcz Voivodship People's Council, as well as a member of the Torun Municipal PZPR Committee.

Official Prices on Autos Suspended as of 1 Jan
LD0812233288 Warsaw PAP in English 2004 GMT 8 Dec 88

[Text] Warsaw, Dec 8—Coupons which enabled their owners to buy cars at official prices will be suspended in Poland as of January 1 of next year. Undersecretary of State at the Ministry of Industry Stanislaw Klos told PAP, adding that this is a result of a decision of the government economic committee decision undertaken last month.

Klos said that from about 300 thousand passenger cars to have reached the home market this year, only a dozen or so percent are sold to coupon owners. This number has already decreased by about six thousand this year in comparison to 1987. Although a coupon gave the right to buy a car in a short time, the price was true for the date of transaction and prices have been increasing for a considerable length of time now.

Although the greatest number of coupons went to miners, about 30 percent, the basic criteria of division of coupons in remaining cases were one's work conditions and life situation.

Thus coupons were granted to health service employees and disabled persons, 15 percent, to employees of the agricultural and forest service and veterinary surgeons, 15 percent. About 20 percent of all the coupons went to employees of the transport and communications services and by employees of the central and local organs of authority and state administration and social organizations, and journalists. Five to six percent of the coupons were granted to people working in the services.

We want the car market to regain values of a normal market on which every citizen, after saving an appropriate sum of money, would be able to by a chosen vehicle, said Klos.

The Polska Kasa Oszczednosci savings bank has received instructions to prepare a credit offer for social and vocational groups in greatest need of cars.

Leaders' Public Appearances for 22-29 Nov

AU0212133083 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 23 to 30 November reports the following appearances of Polish leaders (sourceline is given in parentheses):

Wladyslaw Baka, Kazimierz Barcikowski, Stanislaw Ciosek, Jan Glowczyk, Wojciech Jaruzelski, Stanislaw Kolodziejczak, and Andrzej Wasilewski made a 2-day tour of Slupsk Voivodship on 23 and 24 November. (25 Nov 88 pp 1, 3)

Wojciech Jaruzelski and Zbigniew Michalek received a delegation of agricultural producer cooperatives on 25 November. (26-27 Nov 88 p 2)

Jozef Czyrek, Tadeusz Olechowski, and Mieczyslaw F. Rakowski attended a reception for those attending the parliamentary conference in Warsaw on 27 November. (28 Nov p 7)

Tadeusz Olechowski and Mieczyslaw F. Rakowski held talks with FRG Bundestag President Rita Suessmuth at Warsaw Airport on 27 November, prior to her return to Bonn. (28 Nov, p 2) They awarded the Gold Emblem of the PPR Order of Merit to U.S. author James A. Michener on 29 November. (30 Nov p 2)

Wojciech Jaruzelski and Janusz Kubasiewicz attended a meeting to commemorate the 40th anniversary of the Joint Congress of the Polish Socialist Party and Polish Workers Party, at which the PZPR was formed, on 28 November. (29 Nov p 1)

State Council Chairman Wojciech Jaruzelski received Ioannis Alevras, president of the Greek Chamber of Deputies; and Leopold Gratz, president of the Austrian National Assembly, on 25 November. (26-27 Nov 88 p 2) He received Jose F. Carvajal, president of the Spanish Senate, on 28 November. (28 Nov p 2)

Premier Mieczyslaw F. Rakowski received Janusz Obodowski, Polish ambassador to the GDR, on 29 November. (30 Nov p 2) He attended a reception at the SFRY Embassy in Warsaw, marking SFRY Republic Day, on 29 November. (29 Nov p 2)

Politburo Member Wladyslaw Baka met with party aktivs of the Planning Commission on 25 November and discussed new planning commitments. (26-27 Nov 88 p 2)

Jozef Czyrek, Politburo member and Central Committee secretary, received a delegation of the CPSU Central Committee Foreign Department and discussed with it PZPR-CPSU relations on 23 November. (24 Nov 88 p 2) He received Gudrun Helgadottir, chairman of the Icelandic parliament; Ferrazo de Abreu Joao Eduardo Coelho, deputy chairman of the Portuguese National Assembly; and Tom Lantos, U.S. congressman, on 28 November. (29 Nov p 2)

Politburo Member Alfred Miodowicz met with Kazimierz Morawski, chairman of the Christian Social Association and discussed with him the Social-Christian and trade union movements on 23 November. (24 Nov 88 p 6)

Marian Orzechowski, Politburo member and Central Committee Secretary, met with workers of the Legnica steelworks and Lubin coalmine on 25 November. (26-27 Nov 88 p 2)

General Florian Siwicki, minister of national defense, presented Ministry of Defense prizes to scientists dealing with problems concerning the Armed Forces and defense on 25 November. (27 Nov 88 p 2)

Zbigniew Michalek, Politburo candidate member and Central Committee secretary, met with a delegation of Soviet farmers on 27 November. (28 Nov p 2)

Andrzej Wasilewski, Central Committee secretary, received staffers of the CPSU Central Committee journal KOMMUNIST on 29 November. (30 Nov p 2)

Gorbachev Army Reduction Proposals Noted

AU0812184688 Bucharest Domestic Service in Romanian 1800 GMT 8 Dec 88

[Text] As reported, Mikhail Gorbachev, general secretary of the CPSU Central Committee and chairman of the Presidium of the Supreme Soviet of the Soviet Union, yesterday made a speech at the plenary session of the UN General Assembly.

Mikhail Gorbachev emphasized that the Soviet Union has decided to reduce its troops by 500,000 men, including conventional weapons, in the coming 2 years.

These reductions will be carried out unilaterally, without any connection with negotiations underway in Vienna.

Referring to the problem of debts, Mikhail Gorbachev stated that the Soviet Union is ready to institute a very long-term moratorium on the payment of debts by the least developed countries, and in some cases cancel them altogether.

In connection with the Afghan problem, the Soviet leader suggested that a total and all encompassing cease-fire should come into effect on 1 January 1989, that all conflicting sides should stop arms deliveries, and that, during the formation of a government on a broad basis, a UN contingent of armed forces should be sent to Kabul and other centers of that country to preserve peace.

Ceausescu Cables Gorbachev on Earthquake

AU0812163188 Bucharest AGERPRES in English 1719 GMT 8 Dec 88

[Text] Bucharest AGERPRES 8/12/1988—Nicolae Ceausescu, general secretary of the RCP, president of Romania, sent Mikhail Gorbachev, general secretary of the CC of the CPSU, chairman of the Presidium of the Supreme Soviet of the Soviet Union, the following telegram:

On behalf of the CC of the RCP, of the State Council, of the Romanian people and on my own behalf, I convey you, the CC of the CPSU, the Presidium of the Supreme Soviet of the USSR, as well as the Soviet Communists and all working people our deep solidarity at these difficult moments following the heavy damage and casualties caused by the earthquake in the Armenian SSR on December 7, 1988.

Please convey our feelings of deep compassion to the bereaved families.

Delegate Addresses UN on Middle East Situation

AU0812190988 Bucharest AGERPRES in English 1751 GMT 8 Dec 88

["Romanian Address to the UN on the Middle East Situation"—AGERPRES headline]

[Text] United Nations AGERPRES, 8/12/1988—During the debates in the General Assembly plenum on the Middle East situation, Romania's permanent representative to the UN set forth the assessments of Romania, of President Nicolae Ceausescu regarding a political settlement of the conflictual situation in the respective area.

Underlining that, despite the UN's steady concerns and the numberless resolutions the Security Council and the General Assembly adopted after 1947, the situation in the region could not be solved and kept tense, the speaker showed that the perpetuation of the conflict had serious consequences not only for the countries in the area but also for international peace and security.

The developments in the Middle East corroborate the historical truth that peace and security could not be ensured through the use and threat of force or through the denial of other peoples' right to free and independent existence, the speaker underscored adding: Consistent with its position, Romania has continually worked for an end to the conflictual state of affairs and a global, just and durable political settlement of the Middle East situation, in the interest of the peoples in the region.

In the context, the Romanian Government welcomed the recent decision the Palestinian National Council made during its session in Algiers with regard to the proclamation of the independent Palestinian state—Palestine, and recognized the new state. Romania also welcomed the declaration which expresses the wish to work for a political solution to the problems in the area, in the spirit and on the basis of the Security Council Resolutions 242 and 338, the recognition of the existence of the State of Israel concurrently with the recognition of the Palestinian people's right to self-determination and the setting up of an independent state of its own.

The Algiers decisions, the speaker also said, enhance the possibilities of calling an international peace conference proposed by Romania ever since 1978. It is to be held under the UN auspices and attended by all the sides involved, including the Palestine Liberation Organization, the Palestinian people's unique and legitimate representative, as well as Israel and the five standing members of the Security Council, for a peaceful, global and durable settlement of the Middle East situation.

In conclusion, the Romanian representative reiterated his country's determination to further contribute, alongside the other United Nations member states, to the establishment of a climate of peace, security and collaboration in the area and the world over.

Ceausescu Receives Bethlehem Mayor Frayj

AU0612184788 Bucharest Domestic Service in Romanian 1800 GMT 6 Dec 88

[Text] President of the SR of Romania Comrade Nicolae Ceausescu today received Ilyas Frayj, mayor of the city of Bethlehem, who is paying a visit to our country.

On behalf of the inhabitants of Bethlehem, Iliyas Frayj extended to Comrade Nicolae Ceausescu warm wishes for health and happiness, and wishes for success in his entire activity. Thanking President Nicolae Ceausescu for the opportunity to visit Romania, the Bethlehem city mayor highly valued the Romanian people's achievements in all socioeconomic spheres.

During the meeting, the sides examined a number of international developments, particularly the Middle East situation.

In this respect, Comrade Nicolae Ceausescu said that our country welcomed and recognized the new Palestinian state and believes that the Palestinian National Council's decision on the proclamation of an independent Palestinian state is a very important act, which paves the way for a just solution of that region's problems, in the spirit and on the basis of Resolutions 242 and 338 of the Security Council and the United Nations. President Nicolae Ceausescu reiterated Romania's determination to work further for the speedy convening, in the newly created circumstances, of a UN-sponsored international conference on Middle East matters, which can find a political solution to the situation in that region and ensure a lasting peace there, the Palestinian people's right to self-determination, the security and integrity of all states in the area, including Israel, and the establishment of a climate of cooperation and good-neighborliness in that part of the world.

Libya's Al-Qadhdhafi Extends Wishes

AU0812195988 Bucharest SCINTEIA in Romanian 3 Dec 88 p 6

[Telegram by Libyan Leader Colonel Mu'ammar al-Qadhdhafi to President Nicolae Ceausescu on the 70th anniversary of the creation of the united Romanian national state]

[Text] To Mr Nicolae Ceausescu, President of the SR of Romania

On the 70th anniversary of the creation of the united Romanian national state, I take pleasure in extending to you—in my own behalf and on behalf of the people of the Great Socialist People's Libyan Arab Jamahiriyah—best wishes for personal health and happiness as well as wishes for the friendly Romanian people's progress and prosperity.

Colonel Mu'ammar al-Qadhdhafi, leader of the Great 1 September Revolution

Ceausescu Greets Suvar on National Day

AU0212183388 Bucharest SCINTEIA in Romanian 29 Nov 88 p 8

[Message by President Nicolae Ceausescu to Stipe Suvar, president of the Presidium of the LCY Central Committee, on national day]

[Text] To Comrade Stipe Suvar, president of the Presidium of the LCY Central Committee, Belgrade

Esteemed Comrade Suvar: The national holiday of the SFRY is an opportunity for me to extend best wishes to you, the LCY Central Committee, and the Communists, as well as wishes for success to the working people of Yugoslavia in their activity aimed at the country's socialist development.

I am convinced that the close relations of cooperation between the RCP and the LCY and between our countries will develop constantly in the mutual interests of the Romanian people and the peoples of Yugoslavia and of the cause of socialism and peace.

Nicolae Ceausescu, RCP secretary general

Ceausescu Cables Albanians on National Day

AU0112091388 Bucharest ROMANIA LIBERA in Romanian 28 Nov 88 p 5

[Telegram by President Nicolae Ceausescu and Prime Minister Constantin Dascalescu to President Ramiz Alia and Premier Adil Carcani on Albania's national day]

[Text] To Ramiz Alia, Chairman of the People's Assembly Presidium of the People's Socialist Republic of Albania,

To Adil Carcani, Chairman of the Council of Ministers of the People's Socialist Republic of Albania, Tirana,

On the 44th anniversary of Albania's revolution and of the victory of the people's revolution, we extend to you—on behalf of the Romanian people, the State Council, the Council of Ministers, and ourselves personally—warm greetings and best wishes for happiness as well as wishes for new success to the friendly Albanian people in the socialist development of their country.

We express the conviction that the traditional relations of friendship between Romania and Albania will further develop, to the benefit of our peoples and in the interest of the cause of peace, security, and understanding in the Balkans and Europe.

Nicolae Ceausescu, president of the SR of Romania

Constantin Dascalescu, prime minister of the Government of the SR of Romania

RCP Plenum Debate Speakers Noted

AU0412154488 [Editorial Report] Bucharest SCINTEIA in Romanian on 30 November, page 6, carries under the headline "Joint Session of the RCP Central Committee Plenum and of Democratic Bodies, Mass and Public Organizations" a 7,000-word report on the "Debates in Councils According to Fields of Activity," which took place within the joint session of the RCP Central Committee plenum and other democratic bodies on 28 November. The report consists of a 800-word introductory passage and nine 600-800 word long reports on the debates. Each of the reports lists the names of those who took the floor and gives a joint outline of what they discussed.

The 800-word introductory passage mentions that "the debates within councils were based on the ideas and guidelines included in Comrade Nicolae Ceausescu's speech on 'The Current Stage of the Romanian Socialist Society and Prospects for Its Future Development; Perfecting Socioeconomic Management and Developing Workers Revolutionary Democracy; the Role of the State and of Democratic Bodies. Enhancing the Role of the RCP and the Ideological and Political-Educational Activity; Raising the Level of Scientific Knowledge, Culture, and Revolutionary Awareness. The Balance of Forces and Basic Characteristics of the International Situation.'"

Thus the debates of the session of the "Council for Planning and Raw Material, Fuel, and Energy Base" were chaired by Ion Dinca, PEC member and deputy prime minister of the government. According to the report, the speakers discussed the activity carried out in the past 10 months "in a critical and self-critical spirit," the "causes that have led to a number of lags in the plan fulfillment, especially regarding coal, crude oil, minerals, and electrical power," and ways and means "to eliminate this negative situation as soon as possible, instill a high sense of responsibility, and strengthen order and discipline."

The debates of the session of the "Council for Metallurgical Industry and Machine-Building" were chaired by Constantin Dascalescu, PEC member and prime minister of the government. According to the report, the participants in the debates emphasized their concern with "achieving an intensive economic increase by further modernizing production structures and by constantly improving the technical and qualitative standard of products." They examined also some "shortfalls in the fulfillment of tasks in various economic units" and ways to "eliminate them."

The debates of the session of the "Council for Chemical, Petrochemical, and Light Industry" were chaired by Gheorghe Oprea, PEC member and first deputy prime minister of the government. According to the report, the speakers presented their results, "criticized the fact that the program provisions on perfecting the organization and modernization of the production process were not implemented completely and on schedule," and made proposals for "better organizing the production process and making better use of energy, raw and other materials, and for improving product quality.

The debates in the "Council for Industrial Construction and Construction Materials" were chaired by Ion Coman, PEC member and RCP Central Committee secretary. According to the report, the participants in the debates reported a "number of positive results, but also some "shortfalls," and emphasized that "measures have been taken to eliminate these shortfalls."

The debates in the session of the "Council for Transportation and Telecommunications" were chaired by Constantin Olteanu, PEC member of RCP Central Committee secretary. The report mentions that the speakers dealt with tasks and qualitative aspects in transportation and telecommunication, and with measures that have been taken to strengthen order and discipline in this area. According to the report, some of the speakers also came up with proposals to "increase the transit volume on the Danube-Black Sea Canal."

The discussions within the "Council for Social and State Affairs, for the Scientific Leadership of Society and Development of Socialist Democracy, for Perfecting the Economic-Financial Mechanism, and Constantly Increasing the Efficiency of the Economic Activity" were chaired by Manea Manescu, PEC member and vice president of the State Council. According to the report, those who took the floor spoke about the "advantage of applying the principles of the economic-financial mechanism throughout the socioeconomic activity, and of ensuring the self-administration and self-financing of all economic units by reducing production costs and increasing profitability." They criticized "the shortfalls in some sectors of activity" and stressed the need to "introduce an atmosphere of great communist responsibility and exactingness toward the quality of work."

The proceedings of the "Council for Problems of Self-Management and Self-Sufficiency, and of Improvement of the Working People's Standard of Living," were chaired by Lina Ciobanu, PEC member and deputy prime minister of the government. According to the report, those who took the floor spoke about "both positive results and shortfalls in their activity, especially in effectively solving problems that arise." They criticized "attitudes of complacency, routine, formalism, superficiality, and bureaucracy toward problems faced by the working people." They "also criticized the lags noted in some economic units in the fulfillment of planned production, delays in goods deliveries," and "departures from professional ethics." The speakers reportedly made proposals on how to "ensure proper supplies of agricultural produce and foodstuffs for the population."

The debates in the session of the "Council for Foreign Economic Relations and International Cooperation" were chaired by Emil Bobu, PEC member and secretary of the RCP Central Committee. According to the report, the speakers discussed the way "tasks aimed at diversifying exports and making better use of foreign markets have been fulfilled" and also dealt with "shortfalls obvious in foreign contracts and in organizing the production earmarked for export." The speakers reportedly made "numerous proposals to contribute to perfecting the planning and contracting activity, and to improving the competitiveness of products." The discussions "examined actions taken to continue to develop economic relations with the CEMA member countries, with the other socialist countries, and exchange and cooperation with the developing countries, and with the developed capitalist countries." The speakers emphasized that "life and the development of the world political situation constantly prove the correctness and clearsightedness of our party's and state's foreign policy."

The debates in the session of the "Executive Bureau of the National Council of Agriculture, Food Industry, Forestry, and Water Administration, and of the Executive Bureaus of Component Central Bodies" were chaired by Vasile Barbulescu, secretary of the RCP Central Committee." According to the report, Cornel Pacoste, deputy prime minister of the government and chairman of the National Council of Agriculture, Food Industry, Forestry, and Water Administration "presented a report on results achieved in 1988 by the units" in this area, as well as "the necessary measures to fulfill the 1989 plan."

Those who took the floor reportedly dealt with plan tasks in this area and mentioned "shortfalls in the activity of some state and cooperative agricultural units, which have not achieved planned outputs." The debates focused on how to ensure "large yields" next year and how to "radically improve activity in the animal breeding sector." The speakers reportedly emphasized the need to "intensify the organization and modernization of production in order to fulfill this year's plan tasks and those of the overall 5-Year Plan."

Law on Improving Price-Setting System Adopted

AU0712181088 Bucharest SCINTEIA in Romanian 3 Dec 88 p 4

["Law on Perfecting the Economic-Financial Mechanism by Improving the Price-Setting System," adopted by the Grand National Assembly on 2 December in Bucharest]

[Text] In order to perfect and ensure the efficient functioning of the economic-financial mechanism and of the entire system of workers self-management, self-financing, and self-administration in units, by improving the price-setting system,

The Grand National Assembly of the SR of Romania adopts the following law:

Article 1—Production prices are formed on the basis of planned costs, that represent a maximum limit which cannot be exceeded, plus profits, which are differentiated in accordance with the destination of products as follows:

a) a minimum of 3 percent and a maximum of 8 percent, without exceeding the average limit of 6 percent, for products earmarked for domestic consumption;

b) in the case of products earmarked for exports, the profits envisaged in paragraph a) will increase up to 10 percent, for products exported to hard currency markets, and up to 6 percent, for products exported to socialist countries on a clearing basis.

In the case of products manufactured by the related industries, profits will amount to a minimum of 2.5 percent and a maximum of 5 percent, to which one should add another 2 percent, if the respective products are indirectly designated for export, or another 3.5 percent, if the products are exported directly.

For raw materials in the extractive industry, profits will amount to a minimum of 2.5 percent and a maximum of 5 percent.

Products earmarked for domestic consumption and indirect export, whose profits currently amount to up to 6 percent, will preserve their current profit margin.

Article 2—New production prices, established in accordance with the present law, will be approved under a State Council decree.

Article 3—Profits achieved in excess of planned tasks, by cutting back on production costs, will remain at the disposal of the respective enterprise in a proportion of 100 percent, in the first year, and 50 percent in the following 4 years; all these surplus profits will be used in accordance with legal provisions.

All extra profits resulting from price increases will be delivered to the state budget.

Article 4—Differences between current and new production prices represent revenues of the state budget; they will be collected under the form of taxes on goods turnover and will be paid by the socialist end-users of products concurrently with the payment of the respective products.

Article 5—The value of the commodity production and other related indicators will be set—as far as the plan and its execution are concerned—on the basis of new and differentiated production prices, in accordance with the destination of the respective products.

The evolution of the main socioeconomic development indicators will be established on the basis of current prices and under comparable conditions.

600,000 To Receive Pay Increase Dec 1

AU0812204988 Bucharest SCINTEIA in Romanian 4 Dec 88 p 5

["Beginning on 1 December Another 600,000 Working People Will Benefit From Pay Increase"]

[Text] As is known, in accordance with the decisions of the 13th RCP Congress and National Conference, and upon Comrade Nicolae Ceausescu's initiative, the decision was taken to move to a further, stage by stage, increase in the working people's remuneration, so that at the end of the current 5-Year Plan the average nominal pay throughout the economy will amount to 3,285 lei, that is—a 10 percent increase compared with 1985. The application of this measure has become possible as a result of the important achievements attained in our country's socioeconomic development, a fact that ensured an increase in the national wealth and in the national revenue. As the party secretary general emphasized in his masterly speech to the joint session of the RCP Central Committee plenum, democracy bodies, and mass and public organizations, "in its overall policy, our party has moved and continues to move from the fact that improving the people's material and cultural standard of living is the basic goal of socioeconomic development, of our communist party's policy, and the very essence of the comprehensively developed socialist society which we are successfully building in Romania."

Continuing the application of the second stage of the pay increase, beginning on 1 December, the incomes of all working people, who are earning between 2,001-2,250 lei and are working in industrial units subordinated to the Ministry of Food Industry; in agriculture, and in industrial units subordinated to the Ministry of Agriculture; in forestry, construction-assembly, and industrial units subordinated to the Ministry of Industrial Construction; in the area of water administration, transportation, telecommunication, and other industrial units subordinated to the Ministry of Transportation and Telecommunications, as well as in industrial units subordinated to the Council for Socialist Culture and Education and to other ministries and central bodies will increase. Almost 600,000 working people will benefit from this pay increase in addition to the almost 3.4 million people who benefit from the pay increase of former months; thus the total number of those benefiting from increased pay this year exceeds 50 percent of the total working personnel in the economy.

The humaneness of these new measures is also obvious from the fact that the pay increase does not affect the right to children's state allowances nor does it affect housing rents or fees for nurseries and kindergartens. Similarly, it is worth mentioning that the pay increase as of 1 December of the working personnel in the branches in question will also include an increase in the variable part of the remuneration. This will be done by increasing the additional pay for piecemeal work, the extra pay for length of service, and the other additional payments, which are calculated on the basis of the new increased pay, and by granting additional incentives for export production by increasing the bonus funds and the quotas for setting up the funds for the working people's participation with shares in the fulfillment of production and the achievement of profits, and in the distribution of profits.

The implementation of the pay increase measures requires, as the party secretary general, Comrade Nicolae Ceausescu, emphasized in his recent speech to the joint meeting, that "we constantly bear in mind that the increase in the remuneration and incomes of the working people should be closely linked with the development of the forces of production, with increasing labor productivity, and with improving the technical and qualitative level of production, so that, along with developing the economic potential of our society, we ensure a constant improvement in the people's material and cultural standard of living."

Human Rights Group To Give Files to CSCE

LD0612172988 Hamburg DPA in German 1633 GMT 6 Dec 88

[Text] Frankfurt/Vienna (DPA)—A delegation from the International Society for Human Rights this week intends to hand over documents on approximately 2,500 divided Romanian families, whom the government is refusing to let emigrate, to participants in the CSCE follow-up meeting in Vienna. The lists were actually supposed to have been presented to Elena Ceaucescu, the wife of the Romanian head of state and party, in Bucharest at the beginning of this week, says an announcement by the Society for Human Rights in Frankfurt today. However, 1 day after their arrival in Romania the delegation was deported to East Berlin.

Leaders' Public Appearances for 27 Nov-3 Dec

AU0312200388 [Editorial Report] Romania media report the following public appearances of Romanian leaders during the 26 Nov-3 Dec period (sources of each report given in parentheses):

President Nicolae Ceausescu, Elena Ceausescu, and Nicolae Giosan attended the opening of the ninth legislature of the Grand National Assembly, on 1 December. (Bucharest Domestic Service in Romanian 0900 GMT 1 Dec 88) On 2 December, they attended the closing session of the ninth legislature of the Grand National Assembly. (Bucharest AGERPRES in English 1811 GMT 2 Dec 88) The following leaders addressed the plenary proceedings of the second day of the joint meeting of the RCP CC plenum and other revolutionary workers democracy bodies, on 19 November in Bucharest: Manea Manescu, Constantin Dascalescu, Constantin

Radu, Stefan Andrei, Iosif Szasz, Miu Dobrescu, Gheorghe Oprea, Elena Ceausescu, Ioan Toma, Ion Stoian, and Emil Bobu. (Bucharest AGERPRES in English 1832 GMT 29 Nov 88)

The following leaders addressed the discussions in councils for various branches of activity held during the joint meeting of the RCP CC plenum and other revolutionary workers democracy bodies: Ion Dinca, Constantin Dascalescu, Gheorghe Oprea, Ion Coman, Constantin Olteanu, Manea Manescu, Emil Bobu, Lina Ciobanu, Emil Bobu, and Vasile Barbulescu. (Bucharest SCINTEIA in Romanian 30 Nov 88 p 6)

Neculai Ibanescu, deputy prime minister of the government, and Constantin Radu, Bucharest mayor, attended an Albanian embassy national day reception, on 29 November. (Bucharest AGERPRES in English 2001 GMT 29 Nov 88)

President Nicolae Ceausescu chaired and addressed the opening session of a joint meeting of the RCP CC plenum and of other revolutionary workers democracy bodies, on 28 November in Bucharest. (Bucharest AGERPRES in English 1827 GMT 28 Nov 88) On 30 November, President Nicolae Ceausescu chaired an RCP CC plenum; (Bucharest AGERPRES in English 1916 GMT 30 Nov 88) addressed the conclusion of the joint meeting of the RCP CC plenum and other revolutionary workers democracy bodies; (Bucharest AGERPRES in English 1724 GMT 30 Nov 88) chaired and addressed a plenary meeting of the Socialist Democracy and Unity Front; (Bucharest AGERPRES in English 1937 GMT 30 Nov 88) and addressed a mass rally on the anniversary of Transylvania's union with the rest of the country. (Bucharest AGERPRES in English 1926 GMT 30 Nov 88)

Constantin Dascalescu, PEC member and prime minister of the government, presented a report on the 1989 draft plan and budget to the Grand National Assembly on 1 December. (Bucharest AGERPRES in English 1934 GMT 1 Dec 88)

Emil Bobu, member of the PEC and secretary of the RCP CC, chaired a plenary meeting of the Working People's National Council on 29 November. (Bucharest SCINTEIA in Romanian 30 Nov 88 p 7)

Elena Ceausescu, PEC member and first deputy prime minister of the government, chaired a plenary meeting of the National Council of Science and Education. (Bucharest SCINTEIA in Romanian 30 Nov 88 p 7)

Lina Ciobanu, PEC member and deputy prime minister of the government, chaired a plenary meeting of the Higher Health Council. (Bucharest SCINTEIA in Romanian 30 Nov 88 p 7)

Ion Coman, PEC member and secretary of the RCP Central Committee, met with Greek Communist Party Leader Kharilaos Florakis, on 3 December. (Bucharest AGERPRES in English 0927 GMT 3 Dec 88)

Ion Dinca, first deputy prime minister of the government, attended an SFRY embassy national day reception, on 28 November. (Bucharest AGERPRES in English 2104 GMT 28 Nov 88)

Suzana Gadea, candidate PEC member and chairman of the Council of Socialist Culture and Education, chaired a plenary meeting of the Council of Socialist Culture and Education, on 29 November. (Bucharest SCINTEIA in Romanian 30 Nov 88 p 7)

Manea Manescu, PEC member and vice president of the State Council, opened the proceedings of the Legislative Chamber, on 30 November. (Bucharest AGERPRES in English 1900 GMT 30 Nov 88)

Money Laundering Scandal Continues in U.S.

Charges Against New York Bank

LD0612151488 Belgrade TANJUG Domestic Service in Serbo-Croatian 0331 GMT 6 Dec 88

[Text] New York, 6 Dec (TANJUG)—The Ljubljana Bank branch in New York last night issued a statement in which it stresses that it is considering very seriously the situation which arose following the outbreak of the affair over the "laundering" of illegal money. However, it concludes that this is an "isolated incident not affecting the bank's transactions."

It was noted that the Ljubljana Bank branch is cooperating closely with official organs in the United States and that a U.S. Government (?official) had inspected the necessary documents relating to this incident.

The statement also expresses the conviction that the bank and its officials are not to blame and that, therefore, they should not bear the consequences.

At the same time it was said that the bank is advocating a full investigation into this case and notes that Vinko Mir, hitherto its president, has "voluntarily" relinquished his post on the bank's management board.

Charges have been brought before the Federal Court in Philadelphia against the Ljubljana Bank branch and Vinko Mir, and if the accusations are proven, the bank risks being closed down and Mir being sentenced to up to 5 years' imprisonment.

Chicago Consul Interviewed

LD0812121488 Belgrade TANJUG in English 1110 GMT 12 Dec 88

[Text] Washington, December 8 (TANJUG)—U.S. investigators have no real proof of my implication in the laundering of 1.5 million dollars which a Philadelphia court charged me with, Yugoslav Consul General Bahrudin Bijedic told a TANJUG correspondent by telephone today.

Bijedic, consul general in Chicago, was charged along with LBS [Ljubljanska Banka] Bank of New York Chairman Vinko Mir and three citizens—Hubert Cole, Larry Card and Vjekoslav Spanjol, a Yugoslav by origin.

The laundered money is claimed to have come from agent-provocateurs who told them it had been illegally earned.

Bjedic said he had never broken a U.S. law expect maybe a parking law and that he was positive of the outcome of the trial. The trial has not been scheduled yet.

Bijedic said he was ready to last out to the end and not accept any deal with the court.

Bjedic stressed that he intends to file charges against the U.S. state and demand a compensation for the maltreatment during the televised arrest last Thursday and the rough manner of the Chicago police.

In the interview, published in tomorrow's issue of the Belgrade weekly INTERVJU, Bijedic stressed that he wants to prove his innocence and that he will not leave the United States territory until he gets satisfaction. He added that because of the manner in which he was arrested 70 general consuls, that is as many as there are in Chicago, have sharply protested.

The Yugoslav consul said that while in prison, from which he was released after promising that he would not leave the United States and would respond to court summons, he was not allowed to use a phone for 48 hours, because of which he went on a hunger strike.

The entire case was fabricated and I do not in fact know what it is all about, Bijedic stressed. He said it was quite possible that the anti-Yugoslav emigration was involved in the affair.

In both interviews, Bijedic claimed he had never seen Vinko Mir. He said that Vjekoslav Spanjol had introduced himself as a U.S. millionaire who, together with the others, wanted to invest money in the shipyards in the Yugoslav port of Rijeka.

He added that Spanjol had introduced him to Hubert Cole, whom he presented as a U.S. businessman interested in conditions for investing Yugoslavia.

BORBA Interviews Bijedic

AU0812205688 Belgrade BORBA in Serbo-Croatian 6 Dec 88 p 7

[Report on "exclusive" interview with Bahrudin Bijedic, Yugoslav Consul General in Chicago, by B. Sarovic: "Effected by the Law 'Because of the Explanation of the Law'"]

[Text] 4 Dec, 1800 Central European time [1700 GMT]—Bahrudin Bijedic, the Yugoslav consul general who was spectacularly arrested 2 days ago, is no longer in prison. He is under police supervision in a Philadelphia hotel where he is awaiting trial. We spoke to him on the telephone 1 and ½ hours before the start of the hearing at which it would finally decide whether he is guilty of the crime he has been accused of or not, and this is what he said to BORBA:

"This is a question of a totally fabricated case which is being used to try to compromise my country and me, as its representative in Chicago. What I have been accused of is unacceptable and inconceivable for me. I would never do such a thing and disgrace my country and my family in such a way," said Bijedic.

I Initiated Many Links

Bijedic then described to us that it was his responsibility to, among other things, promote all relations between Yugoslavia and the United States. He had therefore initiated many links which were established between our businessmen and American businessmen. Among other things, he was very involved in getting American citizens to save at our banks. Bijedic mentioned that he did not conclude one single contract and that this was not within his powers either. As far as the specific case which led to his arrest is concerned, Bijedic said that he was approached some time ago by an American businessman of Yugoslav origin, Vjekoslav Spanjol, and suggested that Spanjol invest several million dollars in the Rijeka shipyards as a joint investment. Of course, said Bahrudin Bijedic, I did everything to make sure this investment came about. He mentioned that Spanjol was not the only one interested in investing in Yugoslavia under the new conditions and that there were several businessmen with a lot of capital who expressed an interest.

On the critical day, they asked to have a meeting with him at which he, as consul general, had to explain the new legal regulations which are about to be adopted in Yugoslavia, but they also asked for confirmation of the security of their investment, of the transfer of profit, and other details which are normal during conversations of this type. Bijedic said that he took with him all the appropriate documents with which he would assure them of the correctness of their decision to invest their capital in Yugoslavia and present the facts that as a country we had never been indebted to any one, that the security and foreign currency of Yugoslav citizens were ensured, that there had never been a nationalization of their foreign currency holdings, and that the prospects for investment in Yugoslavia are much more favorable than in other countries.

Bijedic also pointed out his efforts to help our citizens receive inheritances bequeathed to them by emigres. In this way, he said, about $1.5 million had been transfered to Yugoslavia. He said that he had also worked on collecting voluntary contributions for many regions of Yugoslavia and particularly mentioned Petar Stamatov who gave $250,000 to Skopje University through the consulate.

Because of such work and relations, Bahrudin Bijedic said that he had been gladly received and accepted by many citizens of the American Midwest from the 15 states covered by this consulate which contain 7 of the 10 largest cities with about 1 million inhabitants. As proof of this, he stated that he had been made an honorary citizen of Kansas City and New York.

Torture in the Cell

In reply to the question of how he was treated after his arrest, Bijedic said that he was subjected to the most brutal torture. He was put in a cell full of excrement and awash with free human blood. Every 10 minutes a strong light would suddenly be directed straight into his eyes. At the time of being handcuffed, both his hands were injured and he was chained in heavy chains when he was brought to the first hearing in Chicago (at which he was acquitted) as the most dyed-in-the-wool criminal. He said that this reminded him of a picture of his father before he was executed by the Ustasha just before the end of the war. He said that the police did not even allow him to take the medicine, without which he could risk death. He could not have experienced such a horrifible episode even in American films which he thought most reliably depicted such things. When he was taken into the court room, Bijedic continued, he was put into a cell without water or any kind of furniture apart from a toilet.

We asked him if he had been shown any document that was being used against him and Consul Bijedic said that his lawyer had shown him a letter, according to which he had, allegedly, irregularly used an official state stamp so "dirty money" could supposedly be carried in diplomatic pouches. According to the charge, Bijedic used these letters to authorize a certain Colakovic and the aforementioned Spanjol to carry dubious money past customs organs as official couriers instead of transfering it in the diplomatic post.

Otherwise, copies of all the letters which authorize this status of the diplomatic post are held at the customs and police organs of the host country, which is generally known. Bijedic said that this was probably the occasion for his signature to be falsified and for the whole case to be rigged. He claims that he has never done and would never do anything like this.

Immediately after our conversation, Bahrudin Bijedic went down to the restaurant for lunch and then went to the hearing which would decide whether he would return to Chicago as a free man or whether he would be held in jail. We should mention another detail which he told us, that numerous American citizens of Yugoslav origin, as well as actual Americans, have offered to put up bail to the sum specified by the court so that he can be released and defend himself out of prison.

Ministry Spokesman on Arrest

LD0812211688 Belgrade TANJUG in English 1940 GMT 8 Dec 88

[Text] Belgrade, Dec 8 (TANJUG)—The Federal Secretariat for Foreign Affairs has reacted promptly in the case of the arrest of Yugoslav Consul General in Chicago Bahrudin Bijedic, Yugoslav Foreign Ministry spokesman Ivo Vajgl said at a regular press conference here today.

In a note to the State Department, Yugoslavia called for the "protection of the post of consul general" and Bijedic himself "same as would be granted to any Yugoslav citizen anywhere else in the world," said Ambassador Vajgl.

He also said that assurances were given that Consul Bijedic would not leave U.S. territory and that he would appear in court when summoned by the U.S. authorities.

Vajgl added that the Yugoslav Foreign Ministry was in constant contact with U.S. judicial bodies, the State Department and Bijedic himself.

Yugoslav consul general in Chicago was arrested last week on suspicion of involvement in a money laundering operation together with a group of three other U.S. citizens.

Vajgl also told reporters that the ministry has scrutinized all diplomatic pouches that have arrived from the United States and that it was established that the correct procedure was followed in all cases. He said that this was established on the basis of official records at both the consulate general and the Foreign Ministry in Belgrade.

Asked about the coincidence of (?international) events linked to Yugoslavia, Vajgl said that he only wanted to discuss facts, but that it was still difficult not to notice that all this was happening at a time of Yugoslavia's successful political initiatives.

Kadijevic Speaks on Arms Cuts Proposals

LD0812190088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1032 GMT 8 Dec 88

[Text] Belgrade, 8 Dec (TANJUG)—Federal Secretary for National Defense, Colonel General Veljko Kadijevic, today addressed retired generals and admirals at the Belgrade YPA [Yugoslav People's Army] Club about current international, military, and political events, and internal developments, with special regard to their relevance to our country's security and defense. Speaking about the current international situation, the federal secretary said that despite a certain relaxation of tension in global relations, threats to peace and security in the world have not yet been removed.

The main feature at global level is relations between the two superpowers, which are emerging from the stage of controlled confrontation and entering the stage of controlled negotiations and cooperation. Many related activities are under way, though some, the federal secretary notes, are contradictory. For instance, on one hand there are proposals to reduce nuclear arms and conventional forces, while on the other, Kadijevic says, even more sophisticated conventional weapons, including also miniaturization of nuclear weapons and the development of space weapons are being researched, developed, and produced.

As far as the reduction in armed forces is concerned, the federal secretary said, so far only proposals by some countries exist, while Yugoslavia does so in a concrete way. Ending the international situation section of his speech, the federal secretary warned that in the light of the present international situation we can not afford to weaken the defense performance of our country, and that our security depends above all on the capacity of the all-people's defense system to function successfully as a deterrent and a safeguard of the constitutional order of the SFRY.

Speaking about the internal situation, General Kadijevic pointed out the main features and causes of the existing crisis, giving particular attention to reforms as a democratic way to overcome the existing situation, which today is burdened by the situation in Kosovo in particular. Providing all the envisaged measures are introduced on time, the question of to what extent the functioning of the system will be conducive to the practical implementation of the adopted decisions is even more important. Their implementation is not to be left to the spontaneity of daily routine or at the disposal of one's good or bad will. How significant and urgent this issue is has already been demonstrated by events after the 17th LCY Central Committee session. The fact that the success of the forthcoming social reform will depend heavily on the curbing of inflation and on the efficiency in coping with social problems during the period of transition to market conditions in the economy. This is even more important today when, knowing our desire to live well at the expense of others, a lot of demagogues have chosen to appear at the time when society finds its self in a crisis.

Referring to the difficulties and problems which have lately been surrounding the financing of the YPA, the federal secretary for national defense informed the generals and admirals in greater detail about the achievements, problems, and the basis development strategy of our Armed Forces. In this connection, he stressed that YPA members will engage themselves to a maximum degree in two fields: in the struggle of all social forces to pull the country out of the crisis; this will be done within the army and through the institutions of the sociopolitical system and the public; and second, in further developing the system of all-people's defense and the combat readiness of the Armed Forces, and improving army organization on the basis of the latest achievements in areas from information technology to the social conscience of the young, and in the strengthening of the political and morale element. All these tasks, General Kadijevic said, would be realized through extreme rationalization and economizing in the use of allocated funds for daily tasks. Special care, Kadijevic said, will be taken when deciding on and realizing major projects, which would be tested for their cost-effectiveness.

At the conclusion of the meeting, Veljko Kadijevic and his assistants gave extensive answers to numerous question on international, internal, and army issues.

Leaders' Condolences on Armenian Earthquake

Suvar Cables Gorbachev

LD0812155488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1220 GMT 8 Dec 88

[Text] Belgrade, 8 Dec (TANJUG)—On behalf of the Presidium of the LCY Central Committee and on his own behalf, Dr Stipe Suvar, president of the LCY CC Presidium, has sent a telegram of condolences to the general secretary of the CPSU CC, Mikhail Gorbachev, in connection with a catastropahic earthquake which has hit the SSR of Armenia.

Dizdarevic Cables Gorbachev

LD0812160888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1425 GMT 8 Dec 88

[Text] Belgrade, 8 Dec (TANJUG)—Raif Dizdarevic, president of the SFRY Presidency, has sent a telegram to Mikhail Gorbachev, president of the USSR Supreme Soviet Presidency, expressing profound sympathy for the catastrophic earthquake which struck Soviet Armenia yesterday.

Loncar Cables Shevardnadze

LD0812224688 Belgrade TANJUG Domestic Service in Serbo-Croatian 1837 GMT 8 dec 88

[Text] Belgrade, 8 Dec (TANJUG)—"In connection with the catastrophic earthquake in the Socialist Republic of Armenia, which took a large number of lives and caused enormous material damage, I am extending the expression of my deepest sympathies," it is stated in the telegram of Budimir Loncar, federal secretary for foreign affairs, to Soviet Foreign Minister Eduard Shevardnadze.

"I beg you to convey our sincere condolences to the families of the victims," Loncar says in conclusion.

Mikulic Cables Ryzhkov

LD0812215188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1633 GMT 8 Dec 88

[Text] Belgrade, 8 Dec (TANJUG)—FEC President Branko Mikulic has sent a telegram of condolences on behalf of the FEC and himself to Soviet Prime Minister Nikolay Ryzhkov and the USSR Council of Ministers in connection with yesterday's catastrophic earthquake in the Soviet Republic of Armenia.

Mikulic's telegram to the Soviet Government says: We extend our deepest condolences because of the earthquake which took a large number of lives and caused enormous material damage and ask you to convey our sincere condolences to the families of the victims.

USSR's Silayev Receives Economic Envoy

LD0612193288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1816 GMT 6 Dec 88

[Text] Moscow, 6 Dec (TANJUG)—Ivan Silayev, deputy chairman of the USSR Council of Ministers, received in Moscow today Milan Pavic, president of the Yugoslav Economic Chamber, who is heading a Yugoslav delegation at a business conference for SFRY and USSR businessmen.

Ivan Silayev and Milan Pavic expressed mutual satisfaction at the results achieved at the business conference as a new form of work on promoting economic relations between the two countries.

The two sides assessed as positive the initial results in reducing the Yugoslav credit balance and stressed the need to complete negotiations on commodity lists for 1989 as soon as possible. They should envisage a more adjusted balance at a higher level of exchange than this year.

The new independent role of enterprises in mutual trade and better legal conditions for the development of long-term forms of economic cooperation are expected to have a positive influence on further progress in economic relations between the two countries.

Ivan Silayev, deputy chairman of the Soviet Government, assessed as positive overall economic cooperation between the two countries so far and supported the activities which contribute to the expansion of economic exchange and prevent stagnation.

A meeting was held in Moscow today between the Yugoslav economic delegation and representatives of the association of Soviet organizations for economic cooperation with Yugoslavia.

This association has been founded recently under the name Slavija. The Yugoslav delegation was today acquainted with its scope of duties and with possibilities of increasing and promoting exchange.

During the meeting, views were also exchanged on the concrete tasks and projects which can be realized on the Soviet market through the mediation of Slavija.

FRG Citizen Desecrates Tito Billboard; Jailed

LD0812155688 Belgrade TANJUG Domestic Service in Serbo-Croatian 0959 GMT 8 Dec 88

[Summary] Titovo Uzice, 8 Dec (TANJUG)—The Municipal Magistrate's Court in Pozega sentenced a 25-year old FRG citizen, Andreas Klessen, of Augustdorf, to 60 days imprisonment and banned him from entering Yugoslavia for 3 years for desecrating pictures of Josip Broz Tito in Pozega on 5 December. Detained by police after having been caught throwing stones at a large picture of Tito at Pozega railway station, the

arrogant foreigner, while waiting to be questioned at the police station, suddenly jumped up, grabbed a picture of Tito on the wall and tore it up.

Mikulic Continues Visit to Netherlands

Holds Talks With Lubbers

LD0712002588 Belgrade TANJUG Domestic Service in Serbo-Croatian 2139 GMT 6 Dec 88

[Text] The Hague, 6 Dec (TANJUG)—Yugoslavia and the Netherlands are determined to expand bilateral economic cooperation and raise it to a higher level and also to balance the trade exchange with the aim of reducing Yugoslavia's deficit. As stressed Netherlands Prime Minister Ruud Lubbers in his talks today with FEC President Branko Mikulic, the Netherlands thinks that the Yugoslav program of economic and political reform is good and that it offers considerable possibilities for stronger integration of European business circles with the Yugoslav economy as well as the more effective marketing of Yugoslav goods in the West European market. The Netherlands will support Yugoslavia's efforts in this direction, especially those for reducing restrictions on Yugoslav exports to the EC. Netherlands business circles, in Lubbers' words, think that particularly good prospects exist for long-term cooperation and the investment of Netherlands capital in agriculture, tourism, and some other industrial sectors of the Yugoslav economy. The Netherlands is ready to consolidate scientific-technological cooperation between Yugoslavia and Western Europe and will support the participation of Yugoslav partners in those projects of the Eureka program for conquering advanced technology in which the Netherlands is a coordinator.

Prime Minister Lubbers underlined the EC's resolve that the future "common Market," which will be created by the end of 1992, would not be closed to partners outside the EC, but on the contrary, that it would be open and in keeping with the GATT principles on the freedom of world trade. He assessed very favorably Yugoslavia's efforts to coordiante its standards and norms with EC regulations, stressing that it would be of great help for the inclusion of the Yugoslav economy in the integration processes within the EC.

The establishment of a "political dialogue" between Yugoslavia and the European "twelve" contributes to the consolidation of overall relations between the SFRY and the community, he stressed. The Netherlands supports Yugoslavia as an independent, nonaligned country and as a factor for peace and stability in Europe.

Having acquainted his host with social and economic trends in Yugoslavia, FEC President Mikulic noted that the Netherlands could help Yugoslavia politically in its realizaiton of the "three reforms." The Netherlands can do this by contributing to the concept that the reforms are taking place in an open democratic discussion and that Yugoslavia is advancing toward the improvement of social and economic circumstance through public debate. Mikulic briefed Lubbers on the constitutional changes and new systemic laws which should considerably facilitate the investment of foreign capital in the Yugoslav economy. In this way, Yugoslavia opens up wide prospects for partners from the Netherlands and the entire EC to invest their resources and technology in the Yugoslav economy. Yugoslavia is a part of Europe and European partners should embark on cooperation without any hesitation. The Yugoslavs always have settled their debts toward foreign partners and it would not be right to assess Yugoslavia as a "high-risk country."

Bearing in mind that Yugoslavia is also a developing country, the Yugoslavs are expecting that West European development funds for partners from developing countries also would be open to them. Yugoslavia wishes to join the EC integration processes and thinks that, in keeping with the talks with the EEC repesentatives, it would be necessary to expand the present agreement on the SFRY-EC cooperation. In cooperation with the EC, Yugoslavia should be given the same treatment as the EFTA European countries, while at the same time respecting it status as a developing country. Yugoslavia would like the EC to examine all the barriers to Yugoslav exports, as this is of great importance for Yugoslavia considering that the EC is its main economic partner.

The FEC president added that it would be very useful to step up scientific-technical cooperation between the SFRY and the EC because it would help the restructuring of the Yugoslav economy and its inclusion in EC integration.

Dwelling on the problem of foreign debts, Mikulic noted for instance, that the United States devoted greater attention to its main debtors—the 3 Latin American countries—than Western Europe did to its debtors. He said that the EC could greatly easy the pressure of debts on Yugoslavia if it converted the debts into joint investments, if it bought out these debts and invested them in production, as well as by giving financial support to the restructuring of the Yugoslav economy.

Mikulic invited the Netherlands to become a "country-partner" at the Zagreb grand fair in 1991. He also invited Lubbers to visit Yugoslavia, which invitation was accepted with pleasure.

Lubbers' Dinner Toast

LD0712105088 Belgrade TANJUG Domestic Service in Serbo-Croatian 2250 GMT 6 Dec 88

[Text] The Hague, 6 Dec (TANJUG)—The EC "common market" which will be created in 1992 must be beneficial to countries both outside and within the community, said Netherlands Prime Minister Ruud Lubbers this evening, stressing that the Netherlands will continue to do its utmost to preserve Yugoslav's special status in relations with the European "twelve". In his toast at the dinner given in honor of EEC President

Branko Mikulic, Lubbers drew attention to traditionally very good and friendly relations between the Netherlands and Yugoslavia which were particularly strengthened by the visits of Queen Juliana to Yugoslavia and President Tito to the Netherlands in the seventies.

As a cofounder and an eminent member of the Nonaligned Movement, Lubbers stressed, Yugoslavia plays an important role in the building of bridges between East and West. "In this context I would like to lay special emphasis on the active role which Yugoslavia has always had at the CSCE conference. Belgrade was the host of the first CSCE meeting in 1977, and as a member of the group of neutral and nonaligned European countries, Yugoslavia is at present again significantly contributing to the CSCE Vienna talks." He expressed satisfaction at the approaching success of the CSCE Vienna round of talks and supported a balanced reduction at a lower level of conventional armaments and forces of the two blocs in Europe.

"We are witnessing events which could have a historic outcome in the years to come," said the Netherlands prime minister. In the USSR, Soviet leader Gorbachev announced many measures aimed at carrying out a radical reform and extending the participation of people, improving the economy, and adapting the political constitution to modern needs. If the restructuring and modernization of social and economic structures leads to greater economic progress and freedom and responsibility for individuals, it will have great importance for the consolidation and stabilization of East-West relations. Many Europeans no longer accept a picture of Europe consisting of only two parts, East and West, and separated by deep divisions. Yugoslavia is the embodiment of a country which is being observed by both blocs because it belongs to neither of them."

The Netherlands is against the division of Europe, stressed Lubbers. Such is also his attitude to the EC after 1992.

"Today, in our talks, we established a significant level of coordination on several issues of international importance," stressed Lubbers. "These are in particular the need to solve the Middle East conflict, the problem of South Africa, including the struggle against apartheid, and the consolidation of the important role of the United Nations."

The Netherlands prime minister stressed in conclusion that many more Dutch people are travelling to Yugoslavia. "Your hospitality, natural beauties, sunny climate have made Yugoslavia no longer a remote unknown country for the Dutch." "Many of your compatriots have visited the Netherlands in the past and have contributed to the furthering of the Netherlands economy. One finds out who is a friend in difficult times," said Ruud Lubbers.

Mikulic's Dinner Toast

LD0712141588 Belgrade TANJUG Domestic Service in Serbo-Croatian 2250 GMT 7 Dec 88

[Text] The Hague, 6 Dec (TANJUG)—Replying to a toast by Prime Minister Lubbers, Branko Mikulic recalled Lubbers' visit to Yugoslavia in 1948, Queen Juliana's visit to Yugoslavia, and President Tito's to the Netherlands in the early 1970's which, as he put it, "will be recorded as a symbol and expression of the friendship between our two countries and our nations".

Having assessed relations between the two countries as sound and friendly, free of any open problem, and having expressed a desire to expand trade, Branko Mikulic particularly stressed the new potentials for joint investment and for other forms of capital investment in the Yugoslav economy, to be created by the economic reform.

"As you know, Yugoslavia is passing through an extremely complex stage in its development and is in the process of realising reforms which should contribute to economic stabilization and should also stimulate the overall social and economic progress in the country. I will take this opportunity, to repeat that Yugoslavia highly appreciates the Netherlands' bilateral and multilateral support for our efforts to attain these goals.

"Yugoslavia is an open country, resumed Mikulic, and its is vitally interested in being integrated, as fully as possible, into the current trends of scientific and technological development in Europe. As a European, Mediterranean, and a developing country, Yugoslavia is naturally oriented towards developing and further improving relations and cooperation with the European Community of which the Netherlands is an eminent member. We are interested in improving and expanding our future relations and cooperation with the Community, in keeping with our common interests and in a way which would enable Yugoslavia to more fully participate in the current transformation and the future development of the community under more favorable and stable terms."

Speaking about the international situation, Branko Mikulic said that we were living in a period of dynamic developments on the international stage and of changes which open up prospects for a more stable peace and for safer conditions for the development of all countries.

"The Nonaligned Movement has always advocated dialogue and negotiations as the only way for solving numerous international problems.

Despite having different social systems and international positions, our two countries are very close in their striving to strengthen world peace and stability. We also have similar opinions on the means of accomplishing these goals. One of the significant areas on which we have always concentrated is international economic relations. Allow me to reiterate on this occasion our belief

that development problems, above all debt problems, which place a heavy burden on many developing countries, are an integral part of overall international relations. This is why we insist that their speedy solutions be given a more appropriate status and treatment.

To this end, the Nonaligned Movement is also directing its efforts to devise a more realistic and generally acceptable concept of solving these problems. A more constructive attitude by the developed countries towards these issues would, undoubtedly, have a crucial effect on further progress in this area.

We believe that Yugoslavia and the Netherlands will continue to give their full contribution to the efforts to solve major world problems and strengthen world peace, security, and understanding. Our common interest in stimulating cooperation in Europe in general and a quicker pooling of the economies of different parts of Europe in their common aspirations towards a richer and better future is beyond any doubt, MIkulic said, among other things, in a reply to the toast by his host, Prime Minister Lubbers. [no closing quote as received]

Mikulic Press Conference

LD0712233688 Belgrade TANJUG Domestic Service in Serbo-Croatian 1732 GMT 7 Dec 88

[Text] The Hague, 7 Dec (TANJUG)—Yugoslavia is very interested in being involved in the integration and technological processes in the European Community and in a regular "political dialogue" with the EEC, accompanied by respect for the specific position of Yugoslavia as a nonaligned country, FEC President Branko Mikulic stated at a press conference after his talks with the delegation of Netherlands employers in the Hague. Mikulic stressed that Yugoslavia has approved a plan for solving "the economic and social, as well as political crises."

"We are now convinced that we are finding a way out of the difficulties. Our message to our European friends is, above all, that they have more confidence in the processes launched in Yugoslavia." Yugoslavia, Mikulic said, will implement "the three reforms" and with certainty resolve the current difficulties, including the problem of Kosovo. Replying to a question on the situation in Kosovo, he stressed that "for more than 2 decades, we failed to pay attention to nationalist indoctrination in Kosovo" and that this problem will be present for a long time because "the nationalist infection is a long-lasting and severe illness." However, we do not want to resolve this problem by drastic measures, but in a civilised way, using democratic methods."

Mikulic said that in Kosovo there also are developmental difficulties, in addition to "the specific problem of a demographic explosion" which constantly ruins efforts to increase the national income despite the fact that enormous funds are invested in the development of this province. Mikulic added that relations within the SR of Serbia, of which the Province of Kosovo is a part, have not been resolved in an appropriate way and that this is now being resolved by the constitutional changes in Serbia and Yugoslavia. "I am convinced that we will resolve this problem," Mikulic said, adding that 1, 2 or 3 years ago, there were much more important reasons for concern." In the meantime, Mikulic explained, we have adopted a platform for resolving the Yugosalv economic, social, and political crises. We now are convinced that we will find a way out of the difficulties by implementing the three reforms."

On the question of how he assesses "the wave of strikes" in Yugoslavia, the FEC president explained that to a large extent, this was a consequence of the Yugoslav firms' lack of preparedness for the market conditions in which business operations are carried out. However, the reforms will create in Yugoslavia conditions for economically healthy business operations with a realistic evaluation of economic factors, and also for the economically stable, secure development of Yugoslavia. Certain social problems should be appreciated and this is why, in the context of the economic reforms, a spcial social program has been adopted, the FEC president stressed at today's press conference in the Hague.

Mikulic Ends Visit

AU0712165188 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 7 Dec 88

[Text] Branko Mikulic's visit to the Netherlands is drawing to an end. Here is a report by Zagreb correspondent Branko Karajkovic:

Branko Mikulic, president of the FEC, will end his 2-day official and friendly visit to the Netherlands this afternoon by visiting Amsterdam. Prior to this, in The Hague he visited the president of the other house of the Netherlands Parliament, (Dolman); addressed Yugoslav citizens working in this country via radio and television; and held talks with local businessmen in the Netherlands Association of Industry. The conversation was, unfortunately, private, without journalists.

This association, which has great influence on the government's policies, consists of 100 representatives of some 10,000 Netherlands firms employing more than 10 people. We have learned that the president of the FEC briefed the Netherlands businessmen about the existing and future processes of the Yugoslav socioeconomic reform and new opportunities for cooperation between Yugoslav and foreign firms.

During our conversations with other journalists who were on the association's premises—considering the fact that the Netherlands has around $10 billion directly invested abroad—we learned about the general criteria used by the Netherlands in its investment policy in the world: It primarily requires a country's political stability, economic stability of the partner, and of course good business results.

It is indisputable, however, that the Netherlands businessmen have shown more interest in Yugoslavia. This was demonstrated today when five new agreements with Yugoslav firms were signed. In addition, the conversation with the president of the FEC was attended by 80 Netherlands businessmen instead of the expected 40. The final look at the total results achieved during this visit leaves the observer believing that Yugoslavia has made yet another useful effort to resolve its situation and to create trust in the steps it is making toward consolidating its political stability, preserving nonalignment, and opening up toward the world.

The two countries also confirmed the joint interest to further develop economic and total bilateral cooperation as well as relations with the rest of the EC.

Assessment of Mikulic Visit

LD0812224288 Belgrade TANJUG in English 1816 GMT 8 Dec 88

[Text] Belgrade, Dec 8 (TANJUG)—Yugoslav Prime Minister Branko Mikulic's visit to the Netherlands was very successful, spokesman of the Federal Secretariat for Foreign Affairs Ivo Vajgl stated at a press conference here today.

During the two-day visit, which closed yesterday, Mikulic had beneficial talks with Dutch Prime Minister Ruud Lubbers and other officials, Vajgl said.

The Netherlands is intened in the changes in Yugoslavia, especially those relating to the country's greater opening to foreign investments, the spokesman said.

He expressed the hope that the visit contributed to a strengthening of confidence in Yugoslavia as a good partner.

Mikulic's talks in Brussels with President of the European Commission Jacques Delors were conducted in the same spirit, Vajgl said.

Delors particularly focused on new business operation conditions in Yugoslavia. He initiated the question of whether the Yugoslav Government can ensure the application of economic policy measures and whether the Yugoslav national bank can control the monetary policy.

Mikulic, EC's Delors Hold Talks in Brussels

LD0812235988 Belgrade TANJUG in English 2034 GMT 8 Dec 88

[Text] [Placename indistinct] Dec 8 (TANJUG)—Yugoslavia holds that the inclusion of its representatives in the institutions of the European Community dealing with the development of standards, technical and other norms relating to the creation of an intergrated European market in 1992 would make possible the country's active participation in the economic integration processes in Europe, Yugoslav Prime Minister Branko Mikulic said today.

During a meeting with president of the E.C. Executive Commission Jacques Delors in Brussels today, Mikulic noted that Yugoslavia is interested in intensifying economic cooperation with the E.C. countries as well as in a broader access of its goods and equipment to their markets.

En route from an official visit to the Netherlands, Mikulic said that Yugoslavia, as a European, Mediterranean and nonaligned country wants to take part in all economic, research and technological processes on the continent.

Yugoslavia has accepted the initiative to maintain a regular political dialogue with the economic community which would respect its nonaligned status.

Mikulic pointed out that the adoption of systemic laws, especially those covering foreign capital investments in Yugoslavia and foreign economic relations open up broad possibilities for increased investments of European countries in Yugoslavia. Yugoslavia would welcome a support of the European Community Commission to greater influx of European capital in the Yugoslav economy.

Delors said that the European Community was following with keen interest all developments in Yugoslavia.

Despite high inflation, Yugoslav exports and foreign currency reserves are on the rise, there is a foreign currency surplus, the country is regularly servicing its foreign debt and confidence in the Yugoslav economy has been restored since its restructuring has begun along with its opening up towards the world, noted Delors.

Delors said that a review should be made of the current state of relations between Yugoslavia and the European Community which would serve as a basis for setting guidelines and modes for further promotion of cooperation. Delors agreed with Mikulic that possibilities should be created for Yugoslavia's participation in all the community's mechanisms dealing with the preparations for 1992.

Delors said that particularly good opportunities existed in the domain of science and technology, environmental protection and standardization and said that the European Community would do everything it could in that respect.

The European Community is interested in a stable, independent and nonaligned Yugoslavia because there can be no Europe without Yugoslavia, concluded Delors.

Consultations With Albania End in Tirana

AU0512175888 Belgrade POLITIKA in Serbo-Croatian 2 Dec 88 p 3

[TANJUG report: "Yugoslav-Albanian Consultations in Tirana"]

[Text] The Yugoslav-Albanian consultations, held between Radomir Bogdanovic, assistant to the federal secretary for foreign affairs, and Petraq Pojani, director of directorate at the Ministry for Foreign Affairs, ended in Tirana. The talks were characterized by mutually constructive approaches and were held in an atmosphere of mutual openness [otvorenost]. They encompassed the development of relations and cooperation in the Balkans and preparations for the meeting of the senior officials of the Balkan countries' foreign affairs ministries which will be held in Tirana between 18 and 20 January 1989.

Both sides stressed the contribution of the Belgrade meeting of the Balkan countries' foreign ministers in creating a positive climate in the Balkans and an atmosphere of understanding among the Balkan countries. They also stressed the interest of Yugoslavia and Albania in continuing the political dialogue and multilateral cooperation in the Balkans, as well as the wish for the successful conclusion of the future meeting of the diplomatic representatives of the Balkan countries.

Radomir Bogdanovic was also received by Muhamet Kapllani, deputy minister for foreign affairs of the People's Socialist Republic of Albania.

Mikulic Greets Albanian, Yemeni Counterparts

AU0512175788 Belgrade BORBA in Serbo-Croatian 2 Dec 88 p 5

[Text] On the occasion of their National Days, Branko Mikulic, president of the FEC, sent greetings to Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania, and Yasin Sa'id Nu'man, chairman of the Council of Ministers of the People's Democratic Republic of Yemen.

UN Envoy Sets Out Position on Middle East

LD0712091888 Belgrade TANJUG in English 0150 GMT 7 Dec 88

[Text] New York, December 7 (TANJUG)—The proclamation of the state of Palestine which Yugoslavia and a great number of other countries officially recognised, is the expression of the Palestinian people's tendency to decide independently on their fate, Yugoslavia's U.N. Ambassador Dragoslav Pejic told the General Assembly.

The Palestinian uprising is also a serious warning that any further postponments in resolving the Middle East crisis and Palestinian problem as the key issue, carries the danger of a new conflict with unforseeable consequences to international peace and stability, Pejic said disclosing Yugoslavia's stand.

The only way to permanently resolving the Middle East situation lies in opening the process of politically resolving the problem within the United Nations and with full respect for the interests and rights of all countries and peoples, Pejic said.

Yugoslavia therefore considers it necessary to invest a decisive effort at this, the 43d, General Assembly session and influence the views standing in the way of convening an international Middle East peace conference.

Yugoslavia, as a member of the committee of nine non-aligned states for Palestine and a member of the Security Council, will continue to offer its full contribution towards opening the process for a lasting, comprehensive and just solution to the Middle East crisis.

This year's discussion on the Middle East is characterised by the transfer of the discussion on Palestine to Geneva. A vast majority of delegations expressed regret that the U.S. had prevented Yasir 'Arafat from coming to the U.N. to speak as the authentic representative of the Palestinian people's struggle for freedom and their own state.

Customs Denies Conflict With Polish Tourists

LD0612231888 Belgrade TANJUG in English 2218 GMT 6 Dec 88

[Text] Belgrade, Dec 6 (TANJUG)—There was no physical conflict bewtween Polish tourists and Yugoslav customs officials at the Gradina border crossing between Yugoslavia and Bulgaria, the Federal Customs Administration in Belgrade said today.

Radio Warsaw recently reported on alleged conflict at Gradina, citing its Sofia correspondent. The report claimed that Yugoslav customs officials demanded that Polish citizens returning from Turkey via Bulgaria pay customs duty. When they protested and tried to cross the border by force, Yugoslav border officials "beat up a driver and several passengers."

According to Radio Warsaw, the Polish tourists returned to Poland via Romania.

The Yugoslav Customs Administration denied that there had been any conflict whatsoever with security organs at the Gradina border crossing.

As emphasized in Belgrade, problems with Polish tourists crossing at Gradina are not unusual. Troubles with Polish tourists have become a common occurence at the Polish-Czechoslovak, Czechoslovak-Hungarian and other borders as well as since the Polish Government's decision of July 1 which allows Poles to use tourist trips to import goods in short supply at home.

There is obviously an increasing number of Poles among the tourists who make use of trips from the Bosphorus to the Baltic for smuggling, thus more and more frequently drastically violating the customs regulations of individual countries.

TANJUG Views Criticism of Kosovo's Azemi

LD0812132488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1033 GMT 8 Dec 88

[Who is Behind Attacks on Husamedin Azemi?—TANJUG headline]

[Excerpts] Pristina, 8 Dec (TANJUG)—Among the latest "jewels" on Kosovo's political scene, the attacks on and criticism of Husamedin Azemi, president of the Pristina LC Municipal Committee Presidium and recently elected member of the Kosovo LC Provincial Committee Presidium, attract the most attention. Like the demonstrations by the Albanian population, the attacks on Azemi appeared suddenly, in a very violent form, and from a number of quarters. He is being asked to resign and to be politically censured! Those insisting on these measures have not, however, come up with a single argument to sustain their demand. Nevertheless, insisting on being given arguments for the censure of, for instance, Azem Vlasi, Kacusa Jasari, and Ekrem Arifi.

The attacks on Husamedin Azemi have gone from the street to the speaker's platform of the Kosovo LC Provincial Committee. Saik Sadiku, member of the Serbian LC Central Committee, went as far in his argument as to ask Azemi to sit down and question why it is that "the Albanians criticize him while the Serbs like him."

Who does not like Azemi and who attacks him? Who is behind these attacks? It is quite clear, but no one wants to name those responsible, says Sonja Scepanovic, executive secretary of Kosovo LC Provincial Committee. She draws attention to hundreds of telegrams sent to the provincial committee before and after the [4 Dec] session. Their content was identical, as if they came out of a copying machine. As Ali Sukrija put it, regardless of where they were sent from—from most distant villages or from Pristina University—they contained the same ideas, the same words, the same content and all referred to Husamedin Azemi and of some journalists. [passage omitted]

Azemi asked the provincial committee to assume an unambiguous attitude toward these attacks, and this was accepted. It was decided that Azemi's possible political responsibility would be examined by the same working group that will look into the responsibility of other members of the Kosovo LC PC Presidium. It is interesting that even after this decision was made, criticism of Husamedin Azemi at the session continued. This prompted Remzi Koljgeci, the session chairman, to issue a stern warning and ask that the criticism be stopped. It has been learned that the attacks on Husamedin Azemi will be discussed by the pristina lc municipal committee presidium, at tomorrow's session.

Central Committee Jan-Sep Expenses Outlined

AU0512212288 Belgrade BORBA in Serbo-Croatian 2 Dec 88 p 3

[Text] Belgrade, 1 Dec (TANJUG)—In the first 9 months of this year, the LCY Central Committee realized an income of over 13 billion dinars, which is 9 billion dinars or 223 percent more than during the same period in 1986. This is even 16 percent more than the Central Committee's planned income for all of 1988. This data is contained in the statement of the LCY Central Committee's income and expenditures for the period of January-September 1988.

This great increase in the Central Committee's income, the statement explains, is primarily the result of a change in the LCY Central Committee's "share" of the membership fees and a rise in personal incomes. The Central Committee is entitled to 5 percent of the membership fees collected in the republican and provincial LC organizations, 70.5 percent of the membership fees of the LC organization in the Yugoslav People's Army, 75.5 percent of the membership fees of the basic LC organizations in the federation, the membership fees of those who are abroad, and the fees paid directly to the LCY Central Committee's cashier.

The LCY Central Committee income consists of membership fees (94.4 percent), additional funds from the federal budget (3 percent), and the funds brought forward from the previous year (2.5 percent). [figures as published]

The LCY Central Committee's financial plan envisages an expenditure of 11 billion, 399.5 million dinars to fulfill the work of the highest party organ. However, the calculations show that due to inflation and price increases, the expenditures of the LCY Central Committee had almost reached the planned figure after the first 9 months and stood at 11 billion, 104 million dinars.

According to the statement, the LCY Central Committee will therefore not be able to fully finance its activities as was envisaged by the plan. This is why it is expected that at the next session of LCY Central Committee it will be proposed to the members adopt a document on the amendments to the LCY Central Committee's financial plan for 1988.

Further on Expenditures

AU0612180288 Belgrade BORBA in Serbo-Croatian 3-4 Dec 88 p 6

[TANJUG report: "One Session—10 Million"]

[Text] Belgrade, 2 Dec (TANJUG)—The average net income of the 24 officials who are permanently employed by the LCY Central Committee was 1.1 million dinars in the first 9 months of this year. This

information is contained in the statement of the LCY Central Committee's income and expenditures for the January-September 1988 period.

A supplement for living away from home was paid to 16 LCY Central Committee officials. This supplement ranged between 120,000 and 150,000 dinars a month. During the first 9 months, two LCY Central Committee officials received their incomes from the Slovene LC Central Committee.

The financial plan envisaged that 262 million dinars could be spent on the LCY's international cooperation in 1988. The expenditure for this exceeded 237.5 million dinars in the first 9 months. Part of the LCY's expenditure for international activities includes expenses for accommodations, catering services, and the visits of foreign delegations. For this purpose 82 million dinars was spent in the January-September period.

In the same period, 180 million dinars were spent on travel expenses and daily allowances (in addition to expenditures for international cooperation) while the plan envisaged 231 million dinars for these purposes for all of 1988. This year, travel expenses and daily allowances for one LCY Central Committee session averaged 10 million dinars.

During the first 9 months of this year, the LCY Central Committees spent 51.7 million dinars for general expenses, which is 136 percent more than in the same period last year. The total amount of money envisaged for the expense account this year was 31.1 million dinars.

In the January-September period, the expense account of the LCY Central Committee Presidium totalled 13 million dinars, that of the LCY Central Committee Commissions 4.8 million dinars, and that of the LCY Central Committee 939,913 dinars. The remaining 32.9 million dinars refers, according to the statement which should soon be on the agenda of the LCY Central Committee session, "to the general and entertainment expenses of the members of the LCY Central Committee Presidium and executive secretaries."

In the January-September period, the LCY Central Committee spent 90 million dinars for permanent and temporary rentals, which is 460 percent more than during the same period last year. This increase was mainly caused by the cost of holding the LCY Central Committee plenums. As is known, the plenums were held in the Sava Center rather than in the SFRY Assembly.

The Central Committee spent 160 million dinars to organize the traditional international seminar "Socialism in the World" in Cavtat. The financial plan envisaged that the LCY Central Committee should subsidize the Josip Broz Tito Political School in Kumrovec with 708 million dinars. Considering that the school, which also receives funds from other sources, is in a difficult material position, it was proposed that the LCY Central Committee should provide an additional 453 million dinars.

For the publishing of its paper, KOMUNIST; the magazines SOCIJALISAM, MARKSIZAM U SVETU, and SOCIJALISM U SVETU; the bulletin JUGOSLOVENSKI POLITICKI MESECNIK; and for publishing activities abroad, the LCY Central Committee approved a total of 1.55 billion dinars. This is 70 percent more than in 1987.

LCY Presidium Statement Presidium Session

LD0612231488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1744 GMT 6 Dec 88

["Statement from the 111th LCY Central Committee Presidium Session"—TANJUG headline"]

[Text] Belgrade, 6 Dec (TANJUG)—At its session on 1 and 6 December presided over by Stipe Suvar, the LCY Central Committee Presidium discussed the LCY's activity in implementing the immediate tasks set by the 17th LCY Central Committee session as well as the current political situation in the country. Introductory reports on these two topics were presented by Vidoje Zarkovic, member of the LCY Central Committee Presdium, and Marko Lolic, executive secretary of the LCY Central Committee Presidium. The Presidium stated that the outcome of the 17th LCY Central Committee session provides an encouragement for Communists, working people, and citizens in the country and serves to restore confidence in the LCY's ability and determination to persevere in its efforts to overcome the socioeconomic crisis. At that session, the Central Committee outlined clear and specific stands on the reforms and on the need to resolve the complex problems of Kosovo. In this way it has enhanced the unity of the LCY in line with the resolutions of the 13th LCY Congress and the first conference. The LCY Central Committee Presidium, the Republican Central Committees, the provincial committees, municipal committeees, and a large number of basic LC organizations have drawn up specific programs of activity to implement the stands of the 17th LCY Central Committee session and have embarked on the work to carry them out. On the basis of decisions made at the 17th session, criteria have been specified to renew the LCY Central Committee and its Presidium and deadlines have been set to complete these important tasks; the list of the LCY Central Committee members' responsibilities for individual municipal organization has been updated, and their work in these organizations intensified. In the light of the current situation, the LCY Central Committee members responsible for municipal organizations of the LCs of Kosovo and Vojvodina in particular have stepped up their activity.

The stands adopted at the 17th and 18th LCY Central Committee sessions relating to the constitutional changes are being implemented consistently. The

amendments to the SFRY Constitution have been adopted while the activities to prepare changes to the constitutions of the republics and provinces have been proceeding successfully. In this context, particular emphasis is placed on the need to step up—in line with the relevant stand from the 17th LCY Central Committee session—political work on the SAP of Kosovo on explaining the nature and importance of the changes in the Constitution of the SR of Serbia in order to create conditions for a successful and prompt completion of this job. This is necessary in the light of the fact that the constitutional changes have not been adequately explained in the province and that vague rumors and false information about the nature of the changes are being circulated to the effect that the changes will threaten the position and rights of the Albanian nationality and the character of the province's autonomy; that land will be taken away from farmers; and that the use of the Albanian langauge will be restricted, and so on.

In line with the stands adopted at the 17th LCY Central Committee session, activities to prepare and implement economic reform and to formulate the economic policy for 1989 have been stepped up. However, there is still no concrete proposal for a program of economic measures which would help to realize the goals of the reform and to arrive at an efficiency anti-inflationary policy. It was said that the activity of communists in work collectives and in their preparations for the reform, which call for maximum effort by all working people, is also unsatisfactory. The Presidium therefore warns of all the possible consequences of the present situation and draws attention to the stands adopted at the 17th LCY Central Committee session regarding the issue of accountability for inconsistency in, and the slow pace of, implementing the economic reform. At its 19th session on 12 December, the LCY Central Committee will reexamine the LCY's tasks in, and stands on, implementing the economic reform. The LCY Central Committee has prepared a number of relevant proposals concerning this issue.

In implementing the stances of the 17th session relating to Kosovo, the Presidium discussed at many of its sessions the implementation of tasks in point nine, especially those relating to the establishment of the responsibility of members of the provincial committee (PC) and its presidium; measures of ideo-political differentiation; cadre renewal as a whole; and the creation and strengthening of a united front of Albanians, Serbs, Montenegrins, and others in the struggle against Albanian separatism and nationalism and every manifestation of chauvinism and revanchism. However, the recent mass protest gatherings by citizens of Albanian descent in Pristina and Kosovo not only hampered the implementation of the stances of the 17th session on Kosovo, but made the overall difficult situation in Kosovo more complex and difficult, especially regarding intranational relations. In terms of consequences, they objectively played into the hands of Albanian separatists and nationalists. This is why the LCY and the competent organs advocated that they be ended as soon as possible. All this makes it binding on the LC of Kosovo, Serbia, and Yugoslavia and their leaderships that they ensure in united stances the consistent and resolute implementation of the conclusions of the 17th session of the LCY Central Committee on Kosovo, for the purpose of overcoming the difficult situation in the province and its indispensable stabilization.

The Presidium, however, assesses that after the 17th session, some very unfavorable tendencies in national political life as a whole, which also characterized the political situation prior to the 17th session as well—such as economic difficulties; social tensions, confrontation, and distrust among individual leaders; the growth of nationalism; the deterioration in the Kosovo situation; the unprincipled singling out for criticism by name; and the increasingly pronounced weaknesses in the operation of the public information media, etc—have been increasingly in evidence. These tendencies are burdening LCY action; restricting the room in which to tackle the tasks, the accomplishment of which is a vital precondition for emergence from the crisis; and are hampering the implementation of profound reforms both in the economic and political system and the achievement of the democratic transformation of the LCY and the stabilization of the Kosovo situation.

The Presidium particularly points out that despite its clear stances on criticism and the practice of singling out individuals for criticism, the unprincipled attacks and personal criticism of the Central Committee and Presidium members were resumed even after the 17th session of the LCY Central Committee. Unacceptable articles, reports, and insulting slogans attacking and discrediting the highest LC forums and their members are heard at rallies and then published. People most often criticized are those from other areas, although in some cases, people from the same environment are criticized. Those who criticized the situation in the area where attacks originate, pointed to the shortcomings of the press, and opposed unprincipled conduct by some individuals have been also been criticized by name. The attacks on individuals have been linked to the work of forums of which they are members, the Kosovo situation, events in Vojvodina and Montenegro, and with some affairs and scandals. In contrast to what happened before, now it is the complete LCY Central Committee Presidium and the Central Committee of the LCY wahich are being criticized. This indicates that this a conscious attempt to discredit these organs and individuals. In so doing, no contribution is made to their work or to the strengthening of the unity and responsibility for carrying out established policy.

The Presidium stresses that the principled and well-founded criticism is indispensable, and it is to be applied to all organs and individuals. Such criticism should be accepted with full respect and responsibility. Such criticism is the integral part of democratic social relations and of the efforts to heighten responsibility at all levels.

The LCY Central Committee Presidium will regularly examine criticism of its work and the work of its members. However, a great deal of what is happening now is not of this kind. This is borne out by the fact that not the same criteria are applied when assesing one's "own" leadership and its members. Such practice has damaging political consequences, spreads confusion in the party and among the general public, interferes with work, and sometimes it can virtually block implementation of the established policy. All this does not contribute to the indispensable unity, the strengthening of authority and responsibility of the forums and individuals, which are indispensable in the struggle for a comprehensive realization of tasks established at the 17th session. The Presidium noted that in this period, conflicts continued between individual leaderships and officials on the public scene, regardless of the stands of the LCY Central Committee and the mood of the broadest Yugoslav public. This creates a highly unfavorable political climate and encourages confrontations between public opinions in different environments, which directly reflects on the situation in intranational relations and on relations and the situation in the LCY. There is a lack of prompt, principled, and resolute reaction and political action in this connection among the LC organs at all levels, which could correct things, and thus contribute to a more responsible and united political activity and performance throughout the country.

The Presidium also stressed that the unsubstantiated imputations and quarrels among the LCY leaderships and in society as a whole, as well as among responsible individuals, must be prevented and resolutely eradicated, because this is the condition for united action and results on the basic course—the elaboration and realization of reforms. To this aim, it is necessary to create the atmosphere of trust, principled discussions on differences in stands, and also to strongly reaffirm the openness in work and responsibility for public speeches. Problems in relations between the leaderships in general and in relations between the republics, provinces, and the federation must be resolved through work cooperation in the spirit of comradeship and with communist principles, through legal procedures, and on the basis of statutory norms.

The 17th session noted that nationalism is on the increase throughout the country. However, even after the 17th session, there is no real struggle against nationalism, though clearly defined tasks were formulated at the 17th session in this respect. All this reaches the public information media, whose editorial policy is not strong enough to oppose the attacks of nationalism and anticommunism, or to convincingly react to these tendencies and phenomena. A particular kind of propaganda war is being waged between the public media from different republics, and in this way the press is enocuraging anti-Albanian, anti-Serbian, Anti-Slovene, anti-Croat, anti-Montenegrin, and other negative sentiments. Social dissatisfaction and the feeling of no future prospects, present among a large number of working people and citizens, increase the sensitivity of the public to various social phenomena.

The 17th session called on communists in the public media to resolutely and immediatley stop placing the public media into the service of unprincipled account-settling, manipulations, and abuses. The LCY Central Committee charged the central committees and the provincial committees, together with the basic organizations, to carry out the positive identification of negative tendencies and phenomena in some public media, initiate ideopolitical activity aimed at their elimination, and to take measures of responsibility and cadre changes. However, this is not being done or not done sufficiently, and negative tendencies are continuing in the public media even after the 17th session, and in some cases even escalating. The LCY Central Committee Presidium again draws attention to the compulsory and topical nature of the assessments and stands of the LCY Central Committee session concerning information activity. It is the duty of LC leaderships to react promptly and in a principled way to any behavior threatening the role and responsibility of the press, and having serious consequences.

The Presidium called on Communists and LC leaderships promptly and resolutely to oppose all these and other such unacceptable and harmful tendencies that poison the political atmosphere, weaken our unity, exacerbate intranational relations, and divert the attention of the LC and society from their primary tasks. This has a negative effect on both the international position of Yugoslavia and on its reputation and influence in the world. A particular responsibility in this respect is borne by the Presidiums of the Central Committee and provincial committees of the LC and the LCY Central Committee Presidium.

The LC must direct its activity primarily toward those matters on which society's way out of crisis and the opening up of prospects for development on the basis of socialist self-management depend. These are, above all, the three linked and interdependent reforms that were defined at the LCY conference and at the 17th LCY Central Committee session, and the stabilization of the situation in Kosovo. This means that the public information media also must be directed toward these basic tasks of the LC and society, insuring all-embracing and objective coverage of events in the entire country, without bias or prejudice.

The Presidium stresses that today the LC, or political system as a whole, and all socialist forces are being tested and that the test is possible to pass only if there is creative and organized work, unity, and deep and interrelated reforms. At the same time, all editorial boards and basis LC organs and publishing councils, their operative work programs, to insure that they are implemented, that the nature and importance of the reforms are explained, that the programs are used as a departure

point in the democratic process of developing the best solutions and as a means for creating and mobilizing positive public opinion along the lines of the 17th session. We all have the duty to examine our own behavior, our own environment and to analyze in both a critical and self-critical way our work achievements; and situation. We must continue to develop the democratic, socialist, and critical functions of the press, and to thwart attempts by bureacuracy and cliques to restrict and misuse it. The press must be given an opportunity to make a full contribution to the general efforts for overcoming the unfavorable economic, social, and political situation through a resolute struggle to carry out the tasks of the 17th session. In parallel with the implementation of these stands and tasks, we must work toward consolidating the democratization process in the media and in sociopolitical life as a whole.

The Presidium concluded that it was necesary to insure the consistent and comprehensive fulfillment of the tasks adopted at the 17th LCY Central Committee session. Where this is not done, the LC leaderships are obliged to take disciplinary measures. The presidiums of the central and provincial LC committees have the duty to inform the LCY Central Committee Presidium of their views on all these developments and tendencies and about measures they either have taken already or plan to take with the aim of enhancing unity and heightening responsibility. The LCY members, organizations, and organs must take a consistent part in efforts to create a political climate in the country which is conducive to implementing the guidelines of the 13th congress, the LCY Conference, and the 17th and 18th LCY Central Committee sessions. They must concentrate all their resources and energies on the urgent and pressing tasks of embarking on the economic reform and on the transformation of the LCY as the principal task and duty facing the LC and all socialist forces in society.

The LCY Central Committee Presidium immediately will inform the presidiums of the central and provincial LC committees, the LCY committee in the Yugoslav People's Army and the committee of the basic LC organizations in the organs and organizations of the federation of its views and stands on these issues and their specific tasks in this regard.

LCY Official Notes Need for Economic Reform

LD0812121088 Belgrade TANJUG in English 1000 GMT 8 Dec 88

[Text] Belgrade, December 8 (TANJUG)—Yugoslav Communists believe economic reform to be a primary political question and that its implementation should no longer be postponed, Stefan Korosec said.

Korosec is secretary of the League of Communists of Yugoslavia (LCY) Central Committee. He made the statement prior to the LCY Central Committee plenum on economic reform scheduled for December 2.

The plenum is aimed at launching wide-spread activity to implement the economic reform, the more so since the public expressed great verbal unity on the question, but there had been insufficient preparation, Korosec said.

He said fears of the reform were unjustified since it will be implemented gradually.

Korosec assessed that the constitutional amendments, adopted on November 25, were a step towards the reform, but that it cannot be implemented without a reform of the state.

Korosec said the essence of the economic reform lay in strengthening the independence of firms, pluralism of ownership and effective development.

These are deep changes, imposed by the need to reformulate the system of self-management in accord with conditions of market economy, Korosec said.

He pointed out the need to lower inflation, now at an annual rate of 228.9 percent.

He insisted on a redistribution of the national income and underscored that inflation cannot be combatted as long as budgets continue growing.

Nine Month Statistics on Economy Presented

LD0612133188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1116 GMT 6 Dec 88

[Summary] Belgrade, 6 Dec (TANJUG)—The 9-month statistics on the economy presented today to the Yugoslav Social Accountancy Service reveal that in the January to September period this year, retail prices rose by 175.6 percent. In the same period, exports increased by 10.4 percent and the extent to which imports were covered by exports was 94.4 percent. Average earnings in the 9-month period were 357,803 dinars per month, which represents a decline in real terms of 12.2 percent. In real terms, average personal incomes fell most in Slovenia—16.2 percent, and least in Serbia proper—7.7 percent.

DANAS Assesses Serbian LC Conference

AU0512185188 Zagreb DANAS in Serbo-Croatian No. 354 29 Nov 88 p 16

[Milan Becejic article: "Economic Gauntlet"]

[Text] The latest issue of STUDENT carries a new edition of an old joke: An optimistic Serb converses with a pessimistic Serb, and says to him: "Come on, buddy, let's make war on America. When we lose the war, they will come to Serbia and put things right." "But what if we win?" the pessimistic Serb asks.

Joking aside, one could of course also observe the 3-day conference of the LC of Serbia from a similar angle. The fierce struggle to put things right in Serbia was based by

this conference precisely on elements of the developed world's strength, where economic strength also promotes political and social power. Although the "Kosovo package" was constantly present at the rostrum (to a great extent because of the latest events on the eve of the conference), it was clear that the Serbian leadership was shifting the focus of its activities onto the economic reform, not abandoning any further solution of the Kosovo drama, but abandoning a "hurried" policy, which obviously brought more misunderstandings and resistance in Yugoslavia than benefit.

Zoran Pjanic quite clearly indicated the line of the changes, from which one could also guess the sequence of moves: "One strongly insists on democracy in the economy, from which full democracy in political life, as well as in party orientation, will normally follow. When one says complete freedom, this means circulation of people and ideas first of all. When we speak about Kosovo, there are elements tied to national patriotic feelings, but we primarily have in mind the people who live there, and we also think that people from other communities of Yugoslavia may come to Kosovo freely without worrying about their existence. This is free circulation of people. It is being implemented in Western Europe, and it includes the Greeks and the Turks."

The keynote to such and similar speeches—which, in contrast to some recent gatherings, were much more numerous than the unprincipled, disqualifying speeches and foaming at the mouth—was given in Slobodan Milosevic's report. This report, atypical for party gatherings, displayed not only Milosevic' political flexibility, but also a way of tying one's momentary influence to mobilization demands.... "We must quickly transform the political support for changes into actual changes that will unequivocally show that the order of the day is the implementation of the reform, and not the tactics of further postponements and delays that have been with us since the adoption of the Long-Term Program of Economic Stabilization," Milosevic stressed. Milosevic presented several reasons for his optimism, which is unusual at the present time: A clear goal regarding a strategic turnabout and the inevitability of joining in the currents of civilization, which is not a matter of another experiment but of world trends; the factors of production are not an insurmountable obstacle to better efficiency either in Serbia or Yugoslavia; and the economy of Serbia enjoys many comparative advantages, even when measured by European standards.

Milosevic touched on this optimism in his concluding speech, too, stressing that it is not premature, for "we have such difficulties and so many of them that nothing but success can now follow." There is no doubt that the optimism and the call to a general mobilization by the leader of the Serbian party will spill over to the grassroots, but it is also a fact that the shape of a blockage in setting up a unified Yugoslav front in the struggle to implement the reforms can be felt in the speeches of a great number of professional politicians who constantly harked back to the old conflicts, insisting more on what divides the people in Yugoslavia than on what unites them. The extent to which this kind of thinking, which also suggests the concealment of individual incompetence in order to jump on the train to the future, will hinder the changes in Serbia itself remains to be seen. It was probably the number of empty words that prompted Gordana Djordjevic to ask on behalf of the unemployed: "How can I convince the 10,000 unemployed people of Kragujevac that after this conference things will not be the same? We want strong competitions testing ability and knowledge for every job, particularly top jobs, for every social post." At this gathering, differences in the approach used by the professionals and grass roots—not in the general view, but in evaluating the possibilities of how to resolve the problems—were more obvious than at similar gatherings. This could create a dilemma about the kind of cadre potential with which Serbia should enter the stage of rapid changes, and whether the numerously repeated demands for profound cadre changes as the precondition for the reform will also be directed toward internal life in Serbia, because the supporters of the publicly condemned consensus economy are not only a feature of "other" communities. This differentiation is obviously yet to come. Will the rendition of the folk verse "Three reforms, there is no shade anywhere" also affect those individuals in Serbia who have skillfully transferred themselves from the stopped train into a new opposition? Among them there are also those who as Serbian deputies "sunbathed" in the federation for years, and who did not care for Serbia too much. How else could one explain in this context the statement by Goran Strivan, former president of the Belgrade University Youth, who said: "We do not need those who bend with the wind. In our country, the wind is very strong, and it should be even stronger to simply blow these people away. It is high time for that." How many converted people like him are there? Not only in Vojvodina, because a lot of the time at the conference was devoted to the converts from the northern province.

In any case, with this conference, which used the proposal of the Serbian LC's tasks in implementing the economic and social reforms as its platform, Serbia announced its leadership's full resoluteness to turn words into deeds. The document itself—written in unusually fresh and strong language—offers tasks through which the resoluteness and readiness of the leadership should spread like an "infection" to the citizens and working people of Serbia without any major problems. While the part of this proposal that refers to the implementation of the economic reform is clear in its concreteness, even clearer than the draft law on enterprises itself, the direction of reform in the sphere of social activities has been determined without obvious effects in mind, perhaps because this part of social reform does not exist in the law on enterprises either. The fact that this is neglected in relation to other spheres of social policy, which was emphasized by many delegates at the conference as the precondition for carrying out other changes, can become a serious problem in

defining the tasks involving the workers. In view of the limited further development of social activities, which indicates restrictiveness rather than expansion, and insufficient guarantees to the workers class that the road to fuller pockets, along with additional tightening of the belt, does not mean an "end to breathing"—in this transformation drive one should build a genuine optimism and hope in the ultimate end to the crisis.

This is a big step for one leadership and nation, however well they may be motivated. For such projects to really materialize in Serbia, it is necessary that they represent part of the major, joint plans with Yugoslavia. This need was often pointed out during the conference. Slobodan Milosevic was also in favor of it. He pointed out that the "unified Yugoslav market is not unitarianism, but the condition for Yugoslavia's existence." Commenting further on the federation and the "use" of consensus, he said: "The Federation must be made capable of carrying out an efficient and stable development policy. Consensus is a great achievement of modern society. A democratic social community, particularly a multinational society, is impossible without consensus on essential social issues. This applies to us too. However, through a consensus, Yugoslavia is offered something different, namely, that all republics and provinces behave in a petty way and bargain over every economic measure.... The federation must bring our work organizations out into the world economy under the same conditions under which their potential competitors operate. This is why we are opposed to favoring certain branches of the economy and certain regions because of their unequal geographical position."

After the first political challenge, which in the past year created the fierce resistance of "others" toward Serbia, this republic, whether it was done with the purpose of removing the blockage or to increase tolerance, threw down a new, "economic gauntlet." Not accepting the new challenge could represent one more argument for the Serbian leadership that the "rest" are against changes, as well as, in a way, proof that everything that has been done in Serbia so far is the "right thing."

Banja Luka Committee Rejects Candidate List

LD0812161188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1328 GMT 8 Dec 88

[Summary] Banja Luka, 8 dec (TANJUG)—At last night's meeting, the Banja Luka LC Municipal Committee rejected the complete list of possible candidates for posts in the Bosnia-Hercegovina LC Central Committee and the LCY Central Committee, on the grounds that it did not contain enough young people and even contained the names of people involved in various scandals in the republic.